

Ordinance No. 96- 110

AN ORDINANCE APPROVING AN AGREEMENT FOR PRIVATE REDEVELOPMENT BETWEEN THE VILLAGE OF CHATHAM AND TERRILL L. LOVING, D/B/A LOVING CONSTRUCTION & RENTALS

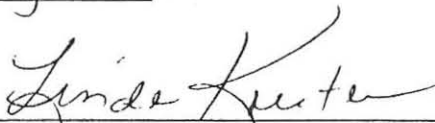
BE IT ORDAINED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF CHATHAM, SANGAMON COUNTY, ILLINOIS, AS FOLLOWS:

SECTION 1: That certain Agreement For Private Redevelopment Between the Village of Chatham and Terrill L. Loving, d/b/a Loving Construction & Rentals, attached hereto as Exhibit A, is hereby approved.

SECTION 2: The Village President of is hereby authorized to execute said contract, and the proper officers of the Village are hereby authorized to carry out the contract according to its terms.

SECTION 3: This Ordinance is effective immediately.

PASSED this 27 day of August, 1996.



VILLAGE PRESIDENT

ATTEST:



Village Clerk

AYES: 5
NAYS: 0

PASSED: 8/27/96
APPROVED: 8/27/96

ABSENT: 1

AGREEMENT FOR PRIVATE REDEVELOPMENT
BETWEEN THE VILLAGE OF CHATHAM AND
TERRILL L. LOVING,
D/B/A LOVING CONSTRUCTION & RENTALS

THIS AGREEMENT, entered into on this _____ day of _____, 19__ by and between the VILLAGE OF CHATHAM, ILLINOIS, a municipal corporation (hereinafter referred to as "Village"), and TERRILL L. LOVING, D/B/A LOVING CONSTRUCTION & RENTALS, (hereinafter referred to as "Redeveloper");

WITNESSETH:

WHEREAS, pursuant to 65 ILCS 5/11-74.4-1, et seq., the Tax Increment Allocation Redevelopment Act (hereinafter referred to as the "Act"), the Village adopted the Village of Chatham Tax Increment Redevelopment Project Area and Redevelopment Plan and Project dated November 24, 1992 (hereinafter referred to as the "redevelopment plan"). The redevelopment plan includes an area referred to therein and herein as the "redevelopment project area"; and

WHEREAS, legal title to the property described in Exhibits "A" and "B" attached hereto is held by Terrill L. Loving, d/b/a Loving Construction & Rentals; and

WHEREAS, the Redeveloper contemplates the development of a certain area of property abutting and east of Illinois Route 4, within the limits of the Village and within the tax increment financing development project area for the construction of Chatham Plaza II (hereinafter referred to as the "development project"), which project shall be located upon property described in Exhibits "A" and "B" attached hereto; and

EXHIBIT A

WHEREAS, in connection with the development of the redevelopment project within the project area, the Redeveloper has incurred or will incur the following project costs which are eligible for reimbursement under Chapter 24, Ill. Rev. Stat., Sec. 11.74-4-3:

	<u>ESTIMATED AMOUNT OF ELIGIBLE PROJECT COSTS</u>
A. Engineering and architectural fees	\$ 1,500.00
B. Legal fees	1,500.00
C. Real estate acquisition and assembly costs	48,039.92
D. Construction of public utilities and improvements	10,500.00
E. Interest reimbursement costs	132,733.00 *

* (The total of such interest payments paid pursuant to this agreement may not exceed 30% of the total cost paid or incurred by the Redeveloper for such redevelopment project plus redevelopment project costs, excluding any property assembly costs and any relocation costs incurred by the Village pursuant to the TIF Act. Redeveloper may refinance from time to time as the Redeveloper shall deem appropriate, and interest payments on any refinanced loan shall be an eligible project cost subject to statutory limitations and to the ceiling of payments set forth in this agreement.); and

WHEREAS, but for payment by the Village to the Redeveloper of the monies set forth below in paragraph 3, the Redeveloper would not be able to complete the redevelopment project since the proposed redevelopment would not be financially feasible nor yield to the Redeveloper a reasonable return on the Redeveloper's investment of time, money and material; and

WHEREAS, the proposed redevelopment in connection with the redevelopment project is consistent with the redevelopment plan adopted by the Village on November 24, 1992; and

WHEREAS, based upon financial projections presented to the Village by the Redeveloper, it does not appear that the redevelopment will occur without Village assistance from its Tax Increment Financing Program; and

WHEREAS, the Village believes that the completion of the redevelopment project pursuant to the plan is in the vital and best interests of the Village and the health, safety, morals and welfare of the residents of the Village of Chatham and it is in accord with public purposes and provisions of applicable federal, state and local laws, and specifically 65 ILCS 5/11-74.4-1, et seq.;

NOW, THEREFORE, in consideration of the mutual promises, covenants and conditions set forth herein, the parties hereto, and each of them, do hereby agree and covenant as follows:

1. The preambles and premises set forth above are an integral part of this agreement and are hereby incorporated into and made a part of this agreement.

2. In order to reimburse the Redeveloper for eligible project costs set forth in paragraph 3 below on or before thirty (30) days from the date that the Village receives payment of the second installment of real estate taxes from the Sangamon County Treasurer, the Village shall pay the Redeveloper a sum equal to the annual real estate taxes for the parcel described in Exhibits "A" and "B", minus the sum of \$597.96 which the parties agree to

be the base increment for the property described in Exhibit "B", which base increment sum shall be retained by the Village. Each year, the Village shall pay the Redeveloper a sum equal to the total tax increment produced by the property described in Exhibits "A" and "B", minus \$597.96, which sum shall be payable on or before thirty (30) days from the date that the Village receives the second installment of real estate taxes from the Sangamon County Treasurer.

In the event that the Redeveloper submits eligible project costs for any year in excess of the amount due and payable annually under this Agreement, the unpaid amount shall carry over into the next payment year and shall accrue and be due and payable the following year or thereafter until all eligible project costs have been paid or until the tax increment financing program terminates as a matter of law. The Village agrees that its tax increment financing program will not be terminated by voluntary action of the Village prior to November 24th, 2015, which is twenty-three (23) years after the effective date of Ordinance No. 92-47, which established the TIF district, or for so long as eligible project costs due and payment to the Redeveloper under this agreement remain outstanding and payable. The intent of this agreement is to pay all the eligible redevelopment project costs within the life of the tax increment financing program as mandated by statute. However, if despite the best efforts of the parties, eligible project costs remain unpaid at the time the tax increment financing program shall expire, such costs shall not be due to the

Redeveloper from any other source of Village funds, provided that reasonable efforts have been made to use tax increment funds to pay the eligible project costs, in accordance with this agreement.

3. The sums paid to the Redeveloper shall be paid as reimbursement for the Redeveloper's eligible project costs, to wit:

	<u>ESTIMATED AMOUNT OF ELIGIBLE PROJECT COSTS</u>
A. Engineering and architectural fees	\$ 1,500.00
B. Legal fees	1,500.00
C. Real estate acquisition and assembly costs	48,039.92
D. Construction of public utilities and improvements	10,500.00
E. Interest reimbursement costs	132,733.00 *

* (The total of such interest payments paid pursuant to this agreement may not exceed 30% of the total cost paid or incurred by the Redeveloper for such redevelopment project plus redevelopment project costs, excluding any property assembly costs and any relocation costs incurred by the Village pursuant to the TIF Act. Redeveloper may refinance from time to time as the Redeveloper shall deem appropriate, and interest payments on any refinanced loan shall be an eligible project cost subject to statutory limitations and to the ceiling of payments set forth in this agreement.); and

There shall be no obligation to reimburse the Redeveloper for any eligible project costs in excess of the cost estimated in this paragraph unless the Village shall agree to do so. The Redeveloper shall in no event be reimbursed in excess of any project costs actually incurred and paid by the Redeveloper.

The Redeveloper shall be reimbursed for interest costs as a reimbursable redevelopment cost as provided herein, subject to the

limitations set forth in 65 ILCS 5/11-74.4-3(q)(11) as of the date of this agreement, and any such further requirements which are actually mandated by statute subsequent to this agreement but only insofar as said requirements are mandated. The Redeveloper shall not be entitled to any payment under the terms of this agreement until the Redeveloper has furnished satisfactory proof to the Village of the existence of eligible reimbursable project costs incurred by the Redeveloper in an amount equal to or in excess of the amount of the payment to be made to the Redeveloper under this agreement.

Such proof of eligibility shall be in accord with the terms and provisions of paragraph 4 below.

In the event that the reimbursable project costs to be paid to the Redeveloper under this paragraph and this agreement shall be deemed ineligible for payment by statutes, regulation or case law, the Village shall be relieved of any obligation to make any such reimbursements. Any such determination of ineligibility or with respect to any proposed payment shall not relieve or modify the obligation of the Village to make remaining payments due to the Redeveloper under this agreement unless such remaining payments are likewise determined to be ineligible payments.

4. In order to facilitate the Village's payment from the special tax allocation fund for eligible project costs only, the parties shall implement the following procedure with respect for payment:

A. Redeveloper shall submit to the village clerk, with a copy to the village treasurer, a written request for payment setting forth specific eligible project costs for which payment or reimbursement is sought. This request for payment or reimbursement shall be accompanied by such contracts, invoices, engineering or architectural estimates, architects' certifications, contractors' sworn statements, lien waivers or other such evidence as the Village shall reasonably require to evidence Redeveloper's right to payment or repayment for eligible costs pursuant to this agreement.

B. The village treasurer shall recommend approval or disapproval of such request to the president and board of trustees for board action at the first regular meeting of the board occurring not less than thirty (30) calendar days from receipt of the request for payment.

C. In the event the village treasurer determines to recommend disapproval of the request or any portion thereof, the village treasurer shall promptly communicate such recommendation to the Redeveloper by specifying the error or disagreement and requesting appropriate correction or modification. In the event the parties disagree as to a portion of the request, said disagreement shall not affect the Redeveloper's right to reimbursement for other eligible costs pursuant to this agreement.

D. The Village reserves the right to examine the Redeveloper's records at any time relating to all project

costs, and to obtain from such consultants or experts as the Village determines to be appropriate, other information as may be necessary for the Village to evaluate Redeveloper's compliance with the terms of this agreement.

E. Eligible project costs which the Redeveloper has satisfactorily documented which are not paid during any calendar year shall carry over to subsequent calendar years until all eligible project costs are paid in full.

F. Eligible project costs are not a general obligation of the Village but are payable to the Redeveloper only out of the proceeds of the special tax allocation fund. The Village agrees to refrain from entering into any future obligations which would impair the Village's ability to pay the obligation due to the Redeveloper under this agreement.

5. Redeveloper warrants that it is a duly organized and existing sole proprietorship under the laws of the State of Illinois and has the power to execute, enter into and perform all covenants, conditions and obligations contained in this agreement, and Redeveloper further covenants that it is the owner in fee simple of the property described in Exhibits "A" and "B" and that said property is not subject to any lien or encumbrance except the following:

A. Real estate mortgage by Terrill L. Loving, d/b/a Loving Construction & Rentals, to Bank One of Springfield (a copy of the mortgage amortization schedule is attached hereto as Exhibit "C").

Redeveloper shall furnish to the Village a certificate of authority to transact business in Sangamon County, proof of publication under the Assumed Name Act or other evidence of eligibility to transact business as may be reasonably required by the Village.

6. The funds advanced to the Redeveloper under this agreement shall be used solely for reimbursement for the project costs itemized in paragraph 3 above, and the Redeveloper shall, upon request of the Village and within sixty (60) days of such request, furnish to the Village a certified audit showing that the project costs for which the Redeveloper seeks reimbursement have in fact been incurred and paid by the Redeveloper prior to the receipt of any reimbursement by the Redeveloper under this agreement.

7. The Redeveloper's right to receive any payment under this agreement shall not in any way be assignable or transferable except as specifically provided herein and shall terminate upon any transfer of the Redeveloper's interest in the property described in Exhibits "A" and "B" or any transfer assignment by the Redeveloper of the Redeveloper's rights to receive payment hereunder, whether such transfer is voluntary or involuntary, except as follows:

A. The Redeveloper may change the format of ownership of the business entity holding title to the parcel described in Exhibits "A" and "B", including transferring title into a corporation, partnership, joint venture, land trust, limited

liability company, limited partnership or other business entity recognized by the laws of the State of Illinois, provided that the business entity holding title to said transferred property interest is wholly owned by Terrill L. Loving, except as provided in paragraph 7(B) immediately below.

B. In the event of the death of Terrill L. Loving, the transfer of his interest in the property described in Exhibits "A" and "B" shall not be deemed a transfer for purposes of any forfeiture clause contained in this agreement provided that the transfer occurring by operation of death, whether by operation of law or probate of a will, results in transfer of ownership to the surviving spouse or a lineal descendant or descendants of the deceased who continue to own an interest in said business entity or sole proprietorship.

8. This agreement shall in no way make the Redeveloper and the Village partners, joint venturers, or in any way obligate the Village for any obligations of the Redeveloper to any third party to this agreement.

9. The terms, conditions, covenants and obligations of this agreement shall run with the land and shall be binding upon both parties, their successors, heirs and assigns. The parties agree to record a memorandum or notice of the existence of this agreement with the Recorder of Deeds, Sangamon County, Illinois.

10. The reimbursements and payments to be provided to the Redeveloper under this agreement are based upon present cost

figures available for the redevelopment of the redevelopment project and are subject to change by agreement by both parties and to modification or supplemental agreement with respect to subsequent phases of construction of the redevelopment project. The Village shall not, however, be obligated to increase any reimbursement or payment set forth herein or to pay any other eligible projects costs without modification of supplemental agreement, which shall be at the sole discretion of the Village.

11. The Redeveloper has already or shall submit to the Village for review, all development plans for structures and improvements located within the area described in Exhibits "A" and "B" for the purpose of determining compliance with applicable laws, statutes, ordinances, rules and regulations, including but not limited to zoning and building code regulations, parking requirements and related matters.

12. The Redeveloper, or any successor in interest, will pay and keep current all Village fees in the nature of sewer user fees, permit fees and the like that may from time to time apply to the subject property, provided, however, said party may, after giving notice to the Village and after posting bond or other security satisfactory to the Village in its reasonable judgment, at its own expense, contest in good faith such fees, in which event it may permit such fees to remain unpaid during the period of such contest and any appeal therefrom.

13. Prior to receiving redevelopment assistance, the Redeveloper shall, at the request of the Village, furnish the

following, all to be satisfactory in both form and substance, to the Village:

A. Organization documents and filings for the Redeveloper and all resolutions necessary to effect the obligations of the Redeveloper pursuant to this agreement.

B. Firm commitments for financing necessary to complete construction of the proposed improvements for phase one of the redevelopment project from sources and in the form acceptable to the Village, or a demonstration of financial capability sufficient to complete the work.

C. Evidence, in a form and manner acceptable to the Village, that the Redeveloper has acquired fee simple title to the subject property.

D. Internal Revenue Service taxpayer identification numbers for the Redeveloper.

E. Such other documents, resolutions and other items reasonably required by the Village, its legal counsel and/or bond counsel.

F. Opinion of independent counsel for the Redeveloper, reasonable in form and content, regarding the completeness and accuracy of the representations of the Redeveloper.

G. Current financial statements of the Redeveloper which set forth the Redeveloper's ability to financially proceed with the Redeveloper's obligations under this agreement.

H. Such individual guarantees of performance as are deemed necessary by the Village to ensure the Redeveloper's performance of the covenants, promises and conditions contained in this agreement.

14. Redeveloper expressly agrees to comply with all applicable statutes of the State of Illinois and ordinances of the Village of Chatham with respect to construction of the improvements to be placed upon the property described in Exhibits "A" and "B", and all contracts for work in connection with the construction of said improvements shall be in compliance with applicable statutes and ordinances.

15. Redeveloper shall be responsible for the following indemnification and insurance:

A. The Redeveloper agrees for itself, its successors and assigns, to indemnify and save the Village and its officers and employees harmless against all claims by or on behalf of any person, firm or corporation, so long as the Redeveloper, such successor or assign maintains an interest in the subject property or any part thereof, arising (i) from the conduct or management of, or from any work or thing done on, or any work or activity connected to the subject property; (ii) any breach or default on the part of the Redeveloper or its successors or assigns in the performance of any of its obligations under or in respect of this agreement; (iii) any act of negligence of the Redeveloper or any of its agents, contractors, servants, employees or licensees; (iv) any

violation by the Redeveloper or its successors or assigns of any laws, statutes, easements, conditions, restrictions, building regulations, zoning ordinances, environmental statutes and regulations or land use regulations affecting the subject property or the project; (v) any act of negligence of any assignee, lessee or sublessee of the Redeveloper, or any agents, contractors, servants, employees or licensees of any assignee, lessee, or sublessee of the Redeveloper; (vi) any violation of the Redeveloper, or any other person, of state or federal securities law in connection with the offer and sale of limited partnerships in the Redeveloper or any part of the subject property; or (vii) any performance by the Village of any act requested by the Redeveloper or its successors and assigns other than negligent or willful misconduct of the Village. The Redeveloper agrees to indemnify and save the Village harmless from and against all costs and expenses incurred in or in connection with any such claim arising as aforesaid or in connection with any action or proceeding brought thereon. In case any such claim shall be made or action brought based upon any such claim in respect of which indemnity may be sought against the Redeveloper, upon receipt of notice in writing from the Village setting forth the particulars of such claim or action, the Redeveloper shall assume the defense thereof including the employment of counsel and the payment of all costs and expenses. The Village shall have the right to employ separate counsel in any such action

and to participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of the Village unless the employment of the counsel has been specifically authorized by the Redeveloper.

B. The Redeveloper agrees to maintain all necessary insurance with respect to the subject property and the Redeveloper's activities thereon to ensure Redeveloper's ability to indemnify the Village as set forth in the preceding subsection (A) and shall furnish proof to the Village of the existence and amounts of such coverage. Said adequate insurance shall include but not be limited to a policy of comprehensive liability insurance of not less than \$1,000,000.00 per occurrence and \$3,000,000.00 total; and workmen's compensation insurance with employer's liability coverage, all such policies to be in a form and issued by such companies as shall be approved by the Village and which shall contain an affirmative statement by the issuer that the Village shall receive thirty (30) days written notice prior to any cancellation or amendment of the policies. Likewise, during the term of this agreement, the Redeveloper shall maintain fire and extended risk coverage in such amounts as are necessary to ensure reconstruction of the improvements in the event said improvements are damaged by fire, vandalism, malicious mischief or other similar occurrences. Such policy or policies shall contain an affirmative statement by the issuer to give written notice to the Village at least thirty

(30) days prior to the cancellation or amendment of such policy.

16. The following terms and provisions shall govern default and remedies therefor:

A. The following shall constitute events of default with respect to this agreement:

(1) If any material representation made by the Redeveloper or the Village in this agreement, or in any certificate, notice, demand or request made by a party hereto in writing and delivered to another party hereto, pursuant to or in connection with any of said documents shall prove to be untrue or incorrect in any material respect as of the date made, and in the event that the Redeveloper shall not cure or correct any such misrepresentation within thirty (30) days from the date of receipt of written notice notifying the Redeveloper of such misrepresentation; or

(2) Default in the performance or breach of any covenant, warranty or obligation of a party in this agreement or in the bonds and continuance of such default or breach for a period of thirty (30) days after another party hereto has given written notice thereof to such defaulting party hereto unless the other parties hereto shall agree to an extension of such time; or

(3) The entry of a decree of foreclosure or the placement of a mortgagee in possession with respect to

the premises described in Exhibits "A" and "B" which shall remain unvacated or in effect for a period of sixty (60) consecutive days.

(4) The entry of a decree or order for relief by a court having jurisdiction in the premises in respect of a party hereto in an involuntary case under the federal bankruptcy laws, as now or hereafter constituted, or any other applicable federal or state bankruptcy, insolvency or other similar law, or appointing a receiver, liquidator, assignee, custodian, trustee, sequestrator (or similar official) of a party hereto for any substantial part of its property, or ordering the winding-up or liquidation of its affairs and the continuance of any such decree or order unstayed and in effect for a period of sixty (60) consecutive days; or

(5) The commencement by a party hereto of a voluntary case under the federal bankruptcy laws, as now or hereafter constituted, or any other applicable federal or state bankruptcy, insolvency or other similar law, or the consent by any such entity to the appointment or taking possession by a receiver, liquidator, assignee, trustee, custodian, sequestrator (or similar official) of the Redeveloper or of any substantial part of such entity's property, or the making by any such entity of any assignment for the benefit of creditors, or the

failure of the Redeveloper in furtherance of any of the foregoing.

B. The following shall constitute remedies of default with respect to this agreement:

(1) Upon the occurrence of any curable event of default by any party hereto, any aggrieved party may institute such proceedings in law or equity as may be necessary or desirable, at its option, to cure or remedy such default or breach, including but not limited to suit to compel specific performance, suit to recover contract payments or other available remedies, provided, however, that no suit shall be commenced by either party against the other to recover consequential damages, which are not contemplated by this agreement and are deemed waived by each party.

(2) In case any party hereto shall have proceeded to enforce its rights under this agreement and such proceedings shall have been discontinued or abandoned for any reason or shall have been determined adversely to the said moving party, then, and in every such case, the Redeveloper and the Village shall be restored respectively to their several positions and rights hereunder, and all rights, remedies and powers of the Redeveloper and the Village shall continue as though no such proceedings have been taken.

(3) Default under paragraphs 16(A)(4) and (5) shall be deemed absolute and shall not be curable, rendering this agreement null and void.

17. The following shall constitute additional provisions relating to the rights and remedies of the parties:

A. Any delay by either party in instituting or prosecuting any actions or proceedings or otherwise asserting its rights under this agreement shall not operate to act as a waiver of such rights or to deprive it of or limit such rights in any way (it being the intent of this provision that neither party be constrained so as to avoid the risk of being deprived of or limited to the exercise of the remedy provided in this section because of concepts of waiver, laches or otherwise) to exercise such remedy at a time when it may still hope to otherwise resolve the problems created by the default involved; nor shall any waiver in fact made by either party hereto with respect to any specific default by the Redeveloper under this section be considered or treated as a waiver of the rights of such party with respect to any other defaults by the other party under this section or with respect to any defaults under any section in this agreement or with respect to the particular default, except to the extent specifically waived in writing by the Village.

B. The rights and remedies of the parties to this agreement (or their successors in interest), whether provided by law or by this agreement, shall be cumulative, and the

exercise by any party of any one or more of such remedies shall not preclude the exercise by it, at the time or different times, of any other such remedies for the same default or breach by the defaulting party. No waiver made by such party with respect to the performance, nor the manner of time thereof, or any obligation of the defaulting party or any condition to its own obligation under the agreement shall be considered a waiver of any rights of the party making the waiver with respect to the particular obligation of the other party or condition to its own obligation beyond those expressly waived in writing and to the extent thereof, or a waiver in any respect in regard to any other rights of the party making the waiver, or any other obligations of the defaulting party.

18. The Redeveloper, for itself and its successors and assigns certifies that during the site preparation and completion of the redevelopment project that the Redeveloper, its agents and assigns complied with the following:

A. The Redeveloper did not discriminate against any employee or applicant for employment on the basis of race, color, religion, sex, age or national origin. The Redeveloper took necessary action to ensure that applicants were employed and treated during employment without regard to race, color, religion, sex, age or national origin, including but not limited to employment, upgrading, demotion, transfer, recruitment, recruitment advertising, layoff, termination,

rates of pay and other forms of compensation and selection for training, including apprenticeship. Such action included but was not limited to the following: Employment, upgrading, demotion, transfer, recruitment, recruitment advertising, layoff, termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.

B. The Redeveloper did and will during the term of this agreement, in all solicitations or advertisements for employees placed by or on behalf of the Redeveloper state that all qualified applicants would receive consideration for employment without regard to race, color, religion, sex, age or national origin.

C. The Redeveloper included or shall include, where required by law, the provisions of subsections A and B of this section in every contract or purchase order and shall require the inclusion of these provisions in every subcontract entered into by any of its contractors, unless exempted by law, rules or regulations, so that such provisions will be binding upon each contractor, subcontractor or vendor, as the case may be.

19. Time shall be considered to be of the essence of this agreement. The warranties and agreements herein contained shall extend to and be obligatory upon the heirs, executors, administrators, successors and assigns of the parties hereto.

20. All notices and demands herein required or given hereunder shall be in writing. The mailing of such notice or

demand to the Village or to the Redeveloper at their respective addresses hereinafter set forth shall be considered sufficient service thereof.

Village of Chatham
Municipal Building
116 East Mulberry
Chatham, Illinois 62629

Mr. Terrill L. Loving
Loving Construction & Rentals
324 Williams Lane
P.O. Box 94
Chatham, Illinois 62629

21. This agreement contains all the terms and conditions agreed upon by the parties hereto and supersedes all oral agreements regarding the subject matter of this agreement and may only be amended or altered in writing signed by all the parties.

22. If all or part of any section of this agreement shall be ruled invalid by a court of law, the agreement shall nevertheless be carried out in all other respects as fully as possible and all other provisions shall remain in full force and effect insofar as possible. If any part of the redevelopment costs scheduled herein to be reimbursed to the Redeveloper are ruled to be ineligible, the Village shall nevertheless pay the remaining eligible project costs to the Redeveloper under the terms and conditions of this agreement.

In the event that all or part of this agreement shall be ruled invalid by a court of law, the parties further agree to, if possible, cure such defect by amending this agreement and to use good faith to ensure that all effort is made and all reasonable

steps taken to ensure that the purpose of this agreement is carried out and that the payments to be made to the Developer hereunder are paid, provided such payments can be made under an amended agreement.

23. The covenants, terms, conditions, representations, warranties, agreements and undertakings set forth in this agreement (and specifically also including those covenants, terms, conditions, representations, warranties, agreements and undertakings which survive the termination of this agreement) shall be binding upon and inure to the benefit of the parties hereto and their respective successors, assigns and legal representatives.

24. Any provision in this agreement contrary to the provisions of the Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4-1, et seq.) shall be deemed null and void insofar as it may be in conflict with said Act. The provisions of the Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4-1, et seq.) are herein incorporated by reference insofar as they are required to be part of any redevelopment agreement or insofar as they limit the provisions of this agreement or impose any duty upon the Redeveloper or the Village in connection with the execution of this agreement.

25. The duty of the Village to make any payment required under this agreement shall be suspended for any period during which occupancy of the building located upon the premises described in Exhibits "A" and "B" shall fall below 50% of the square footage available for occupancy by lessees for a period of six (6)

consecutive months. Redeveloper agrees to notify the Village whenever occupancy of the premises drops below 50% of the available square footage and to subsequently inform the Village when occupancy has again risen above 50% of the available square footage. Payments due to the Redeveloper for any period during which occupancy drops below 50% of the available square footage for a period in excess of six (6) months shall be retained by the Village but nothing in this paragraph shall prevent the Redeveloper from recouping available project costs in later periods or in later years up to the full extent permitted by this agreement.

WITNESS our hands and seals this _____ day of _____,
19____.

VILLAGE OF CHATHAM, ILLINOIS,

By: _____
Its: President

ATTEST:

By: _____
Its: Village Clerk

STATE OF ILLINOIS)
) SS.
COUNTY OF SANGAMON)

I, _____, a Notary Public in and for
said County and State aforesaid, DO HEREBY CERTIFY that _____
_____, the President and _____,
the Village Clerk of the VILLAGE OF CHATHAM, ILLINOIS, personally
known to me to be the _____ and _____
_____, respectively, whose names are subscribed to the
foregoing instrument, appeared before me this day in person and
severally acknowledged that as such _____ and
_____, they signed, sealed and delivered the
foregoing instrument as their free and voluntary act and as the
free and voluntary act and deed of said Village for the uses and
purposes therein set forth, pursuant to the authority of its board
of trustees.

Given under my hand and official seal this _____ day
_____, 19____.

Notary Public

TERRILL L. LOVING, D/B/A LOVING
CONSTRUCTION & RENTALS

STATE OF ILLINOIS)
) SS.
COUNTY OF SANGAMON)

I, _____, a Notary Public in and for
said County and State aforesaid, DO HEREBY CERTIFY that TERRILL L.

LOVING, personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he signed, sealed and delivered the foregoing instrument as his free and voluntary act for the uses and purposes therein set forth.

Given under my hand and official seal this _____ day of _____, 19____.

Notary Public

Document Prepared by:

James D. Kelly
Presney, Kelly & Presney
726 South Second Street
Springfield, Illinois 62704
(217) 525-0016

EXHIBIT "A"

Parcel 1:

Part of the Northwest Quarter of Section 7, Township 14 North, Range 5 West of the Third Principal Meridian, Chatham, Illinois, more particularly described, as follows:

Commencing at a point on the West line of the Northwest Quarter of said Section 7, 80.22 feet North of the Southwest corner of said Northwest Quarter; thence East 353.08 feet; thence North 85.00 feet; thence West 353.10 feet to a point on said West line; thence South, along said West line, 84.95 feet to the point of beginning; except the West 33 feet thereof heretofore conveyed for a public highway.

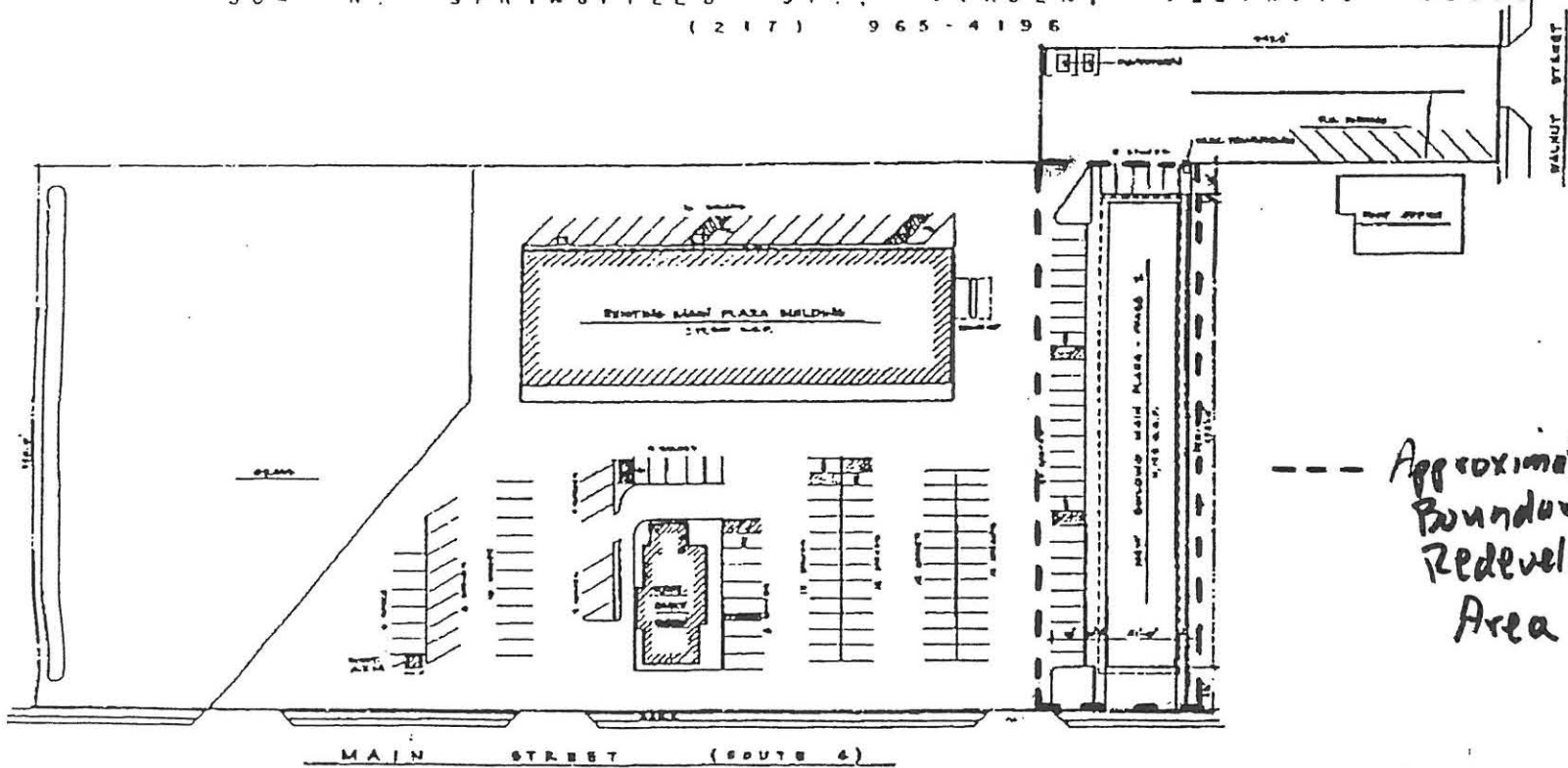
MAIN PLAZA - PHASE 2

CHATHAM, ILLINOIS

WESLEY CORGAN ARCHITECT
504 N. SPRINGFIELD ST., VIRDEN, ILLINOIS 62890
(217) 965-4196

Temporary East

Exhibit "B"



Approximate Boundary of Redevelopment Project Area

Approximate Boundary of Redevelopment Project Area

TOTAL SITE PLAN WITH PARKING LAYOUT

SCALE: 1" = 30'

PROJECT NO. 100-100
DATE: 10-10-1988

EXHIBIT B

Exhibit "C"

08/07/96

BANK ONE, SPRINGFIELD
Amortization Schedule: Balloon Loan

Page 1

Loan ID: AMORTIZE	Compounding: U.S. Rule	Principal: 375,000.00
Fund Date: 06/05/96	Period: Actual/360	Int Rate: 8.750 %
1st Pmt: 07/05/96	Pmt Schedule: Monthly	Pmt Amt: 3,350.00

Pmt #	Date	Elapsed Days	Payment Amount	Interest Amount	Principal Reduction	Outstanding Balance
1	07/05/96	30	3,350.00	2,734.38	615.62	374,384.38
2	08/05/96	31	3,350.00	2,820.88	529.12	373,855.26
3	09/05/96	31	3,350.00	2,816.90	533.10	373,322.16
4	10/05/96	30	3,350.00	2,722.14	627.86	372,694.30
5	11/05/96	31	3,350.00	2,808.15	541.85	372,152.45
6	12/05/96	30	3,350.00	2,713.61	636.39	371,516.06
1996 Totals:			20,100.00	16,616.06	3,483.94	
7	01/05/97	31	3,350.00	2,799.27	550.73	370,965.33
8	02/05/97	31	3,350.00	2,795.12	554.88	370,410.45
9	03/05/97	28	3,350.00	2,520.85	829.15	369,581.30
10	04/05/97	31	3,350.00	2,784.69	565.31	369,015.99
11	05/05/97	30	3,350.00	2,690.74	659.26	368,356.73
12	06/05/97	31	3,350.00	2,775.47	574.53	367,782.20
13	07/05/97	30	3,350.00	2,681.75	668.25	367,113.95
14	08/05/97	31	3,350.00	2,766.10	583.90	366,530.05
15	09/05/97	31	3,350.00	2,761.70	588.30	365,941.75
16	10/05/97	30	3,350.00	2,668.33	681.67	365,260.08
17	11/05/97	31	3,350.00	2,752.13	597.87	364,662.21
18	12/05/97	30	3,350.00	2,659.00	691.00	363,971.21
1997 Totals:			40,200.00	32,655.15	7,544.85	
19	01/05/98	31	3,350.00	2,742.42	607.58	363,363.63
20	02/05/98	31	3,350.00	2,737.84	612.16	362,751.47
21	03/05/98	28	3,350.00	2,468.73	881.27	361,870.20
22	04/05/98	31	3,350.00	2,726.59	623.41	361,246.79
23	05/05/98	30	3,350.00	2,634.09	715.91	360,530.88
24	06/05/98	31	3,350.00	2,716.50	633.50	359,897.38
25	07/05/98	30	3,350.00	2,624.25	725.75	359,171.63
26	08/05/98	31	3,350.00	2,706.26	643.74	358,527.89
27	09/05/98	31	3,350.00	2,701.41	648.59	357,879.30
28	10/05/98	30	3,350.00	2,609.54	740.46	357,138.84
29	11/05/98	31	3,350.00	2,690.94	659.06	356,479.78
30	12/05/98	30	3,350.00	2,599.33	750.67	355,729.11
1998 Totals:			40,200.00	31,957.90	8,242.10	
31	01/05/99	31	3,350.00	2,680.32	669.68	355,059.43
32	02/05/99	31	3,350.00	2,675.27	674.73	354,384.70
33	03/05/99	28	3,350.00	2,411.78	938.22	353,446.48
34	04/05/99	31	3,350.00	2,663.12	686.88	352,759.60
35	05/05/99	30	3,350.00	2,572.21	777.79	351,981.81
36	06/05/99	31	354,633.88	2,652.09	351,981.79	0.02
1999 Totals:			371,383.88	15,654.79	355,729.09	
Grand Totals:			471,883.88	96,863.90	374,999.98	

EXHIBIT C

ORDINANCE CERTIFICATE

STATE OF ILLINOIS)
) SS.
COUNTY OF SANGAMON)

I, the undersigned, do hereby certify that I am the duly qualified and acting Village Clerk of the Village of Chatham, Sangamon County, Illinois.

I do further certify that the ordinance attached hereto is a full, true, and exact copy of Ordinance No. 96-116, adopted by the President and Board of Trustees of said Village on the 27 day of August, 1996, said Ordinance being entitled:

AN ORDINANCE APPROVING AN AGREEMENT FOR PRIVATE REDEVELOPMENT BETWEEN THE VILLAGE OF CHATHAM AND TERRILL L. LOVING, D/B/A LOVING CONSTRUCTION & RENTALS

I do further certify that prior to the making of this certificate, the said Ordinance was spread at length upon the permanent records of said Village, where it now appears and remains.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of said Village this 27 day of August, 1996.

Denney Mooney
Village Clerk