

ANNEXATION, DEVELOPMENT AND SETTLEMENT AGREEMENT

between

VILLAGE OF PRAIRIE GROVE

and

TERRA COTTA REALTY CO.

dated

October 24, 2006

06-53-9628

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ANNEXATION, DEVELOPMENT AND SETTLEMENT AGREEMENT

This Annexation, Development and Settlement Agreement (this "Agreement") is entered into this 19th day of September, 2006, by and between the Village of Prairie Grove, an Illinois Home Rule municipal corporation ("Village" or "Village Board") and Terra Cotta Realty Co., an Illinois limited liability company ("Owner"):

Recitals

A. Owner is the owner of approximately 471.87 acres of land in McHenry County, Illinois as depicted on Exhibit "1" attached hereto and made a part hereof, approximately 465.18 acres of which are situated within the municipal boundaries of the Village as described on Exhibit "2" attached hereto and made a part hereof ("Incorporated Property") and approximately 6.69 acres of which are situated within unincorporated McHenry County, Illinois as described on Exhibit "3" attached hereto and made a part hereof ("Unincorporated Property") (collectively, the "Property").

B. The Unincorporated Property, lying within unincorporated McHenry County, consists of tracts of land, all of which are not within the corporate boundaries of any municipality or subject to an annexation agreement with any other municipality and are presently contiguous to and may be annexed to the Village in accordance with applicable law.

C. The Village has determined that the annexation of the Unincorporated Property in accordance with the terms of this Agreement is in the best interests of the Village, will promote sound planning and growth of the Village and otherwise enhance and promote the general welfare of the Village and its residents.

D. All notices required by law have been made in accordance with applicable law.

E. Prior to the date of this Agreement, all required public hearings before the Planning and Zoning Commission and the Corporate Authorities of the Village were held upon proper notice and publications in accordance with applicable law.

F. This Agreement is made pursuant to 65 ILCS 5/11-15.1-1, et seq., Section 10 of Article VII of the Constitution of the State of Illinois, the home rule powers of the Village and in settlement of litigation existing between the Owner and the Village filed in the 19th Judicial Circuit Court, McHenry County, Illinois under docket number 05MC2 ("Lawsuit"). The parties desire that the Property be zoned and developed within the corporate limits of the Village and that the Lawsuit be settled, subject to the terms and conditions as hereinafter set forth.

G. 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 such implementation of this Agreement and development of the Property pursuant hereto will further the orderly growth, planning and development of the Village, increase the tax base of the Village and create housing, job and economic growth within the Village while preserving environmental values.

06-53-9631

NOW THEREFORE, in consideration of their respective agreements made herein, the adequacy and sufficiency of which is acknowledged as being received by the parties hereto, the Village and Owner hereby agree as follows;

1. **Annexation, Development and Settlement Agreement.** The Village has approved and executed this Agreement pursuant to an ordinance it has enacted.

2. **Annexation of Unincorporated Property.** Upon execution of this Agreement and on the same day on which the meeting occurs at which execution of this Agreement is approved and the Agreement Ordinance is enacted, the Village shall enact an ordinance annexing the Unincorporated Property to the Village. Within fifteen (15) business days thereafter, the Village shall (i) file a copy of the Annexation Ordinance, together with an accurate plat of the Unincorporated Property with the County Clerk of McHenry County and the Office of the Recorder of Deeds, McHenry County and (ii) make available to Owner copies of the Agreement Ordinance, the Annexation Ordinance and the Annexation Plat to Owner.

3. **Zoning Classifications Density.** Immediately following the execution of this Agreement and the Annexation Ordinance, the Village shall adopt an ordinance rezoning the Property in accordance with Exhibit "4" ("Property Zoning Map"). All of the parcels of the Property that are developed with residential or commercial uses shall only be developed as Planned Developments pursuant to the Planned Development provisions of the then existing Village Zoning and Village Subdivision Control Ordinances to the extent that such regulations do not conflict with the Property Zoning Map or this Agreement. The parties agree that any matter appearing on the Property Zoning Map shall supersede, govern and control over any contrary provision of this Agreement or any Village ordinance now or hereafter in effect.

With regard to maximum allowed density of residential housing on the Property, the density limits shown on the Property Zoning Map shall serve as maximum limits. Under no circumstances shall Owner submit plats of subdivision or planned developments for approval by the Village outside the specifications shown on the Property Zoning Map or depicting more residential lots than the maximum shown thereon. For purposes of this paragraph, each residential dwelling unit within each multi-family structure shall be counted toward the maximum number of residential dwelling units allowed hereunder.

4. **Development Matters.**

a. **Applicability of Code.** Except as specifically provided for herein, all provisions of the Village Code, as amended from time to time, shall apply to development of the Property.

b. **Development Phases.** Portions of the Property may be developed in phases (referring to areas depicted on final plats of subdivision) ("Phases") in accordance with planned development submittals and preliminary plats of subdivision approved for each Phase in accordance with applicable Village ordinances. All proposed street connections between Phases require the reasonable approval of the Village Engineer. For each Phase being developed, Owner shall construct and install as part of such Phase all necessary infrastructure which is needed, as reasonably determined by the Village Engineer, to service such Phase, such as retention or

detention ponds, streets or extension of utility lines, even if such improvements are not within the Phase being developed. Each Phase being developed need not be limited to a single housing product area or zoning district and may be comprised of multiple zoning areas or a portion of a single project or zoning area.

Owner intends that each Phase may be owned and developed by permitted assignees or grantees of Owner (each of whom shall also be deemed an Owner for the purposes of this Agreement), but that each Owner will own and develop subject to the terms and conditions of this Agreement.

The Village shall permit deferral of submission of the following items from preliminary plan to the final plan for each planned development: Ch 21, Article VI, Section 6.6 C(4)(b) subsection (v - proposed grading only), (ix - proposed lotting and footprints of all non-residential structures), (xi - off-street parking and loading areas, including number and dimensions of parking spaces, drive aisles, and loading zones (residential only)) and (xv - proposed phasing); (c - grading plan); (d - landscape plan); (f - development schedule); (g - architectural drawings); (h - protective covenants) and (m - other).

c. Roadways. Except as specifically provided herein and in the Property Zoning Map, and at a time reasonably determined by the Village Engineer, the Owner, at its cost, shall design and construct or reconstruct all streets and other public improvements within the portion of the Property or Phase being platted and those roadways indicated on the Property Zoning Map associated with the portion of the Property or Phase being platted, in accordance with Village ordinances, as amended from time to time. Local and minor streets shall have a 60-foot wide right of way and otherwise be constructed in accordance with applicable subdivision control ordinances. All pavement design criteria shall conform to subdivision code standards at the time of construction. To secure construction and maintenance of said public roads, the Owner shall file with the Village, prior to final subdivision plat approval for each Phase, a letter of credit pursuant to the requirements of Section 7 of this Agreement. This letter of credit shall apply for those public roadways and public improvements within the Phase being platted and those roadways and public improvements reasonably determined by the Village Engineer that are necessary to adequately service the proposed platted Phase.

The Owner shall provide vehicular access to each residential unit. The property commonly known as "Thunderbird Lake" is that certain portion of the Property containing approximately 213 acres and depicted as such on the Property Zoning Map. The Village hereby ratifies and confirms Village Resolution No. 99-2 which provides, among other things, "[t]hat the Village acknowledges and agrees that the Village has no right, title or interest in Thunderbird Lake, except as expressly provided in the Zoning Ordinance which shall remain in full force and effect." Thunderbird Lake is zoned as Open Space Recreational under the Village Zoning Ordinance. Notwithstanding anything to the contrary contained herein or in existing or future Village ordinances, the Village shall not under any circumstances plan, design, construct, support, endorse or utilize its powers of eminent domain or condemnation with respect to Thunderbird Lake for any purpose including, without limitation, a public path, road, street, highway, toll way or other right-of-way or easement for pedestrian, bicycle, vehicular or other motorized transportation, public utilities, public park, open space or otherwise. Provided, however, Owner shall, at no cost, and upon request of the Village, dedicate to the Village fee simple title to all of Barreville Road

and an area of land not more than twenty (20) feet west of the current centerline of Barreville Road adjacent to the Thunderbird Lake property owned by the Owner. The purpose of said dedication shall be for roadway, bike path, public and private utility use. Village agrees that no utility structures shall be installed within said dedication and Thunderbird's current vehicular access driveways to Barreville Road shall not be blocked or restricted.

d. Route 31 Traffic Signal Improvements. As reasonably requested by Owner, the Village shall fully support, and not object to, the installation of a permanent traffic signal and interconnection at the intersection of Illinois Route 31 and Half Mile Trail. On or before March 1, 2007, Owner shall pursue, in good faith and at its cost, the design and permitting of a permanent traffic signal and interconnection at the intersection of Illinois Route 31 and Half Mile Trail Road, subject to IDOT approval, in conjunction with the permitting of other Route 31 traffic signals in the Village by the developer commonly referred to Westminster Swanson. Owner shall cause such traffic signal and interconnection to be installed, at no cost to the Village, after obtaining permit approval by IDOT. Owner shall have the right to obtain financial contributions for such traffic signal and interconnection from parties other than the Village including, without limitation, the State of Illinois, McHenry County and the applicable School District. The Village shall cooperate with Owner in all respects, and not oppose Owner, with regard to such traffic signal.

The Village shall cooperate with Owner, and not oppose Owner, with respect to Owner gaining access along Route 31 between the existing TC Industries, Inc. and Processed Steel Company manufacturing plant and Edgewood Road as depicted on the Property Zoning Map.

e. Half Mile Trail Resurfacing. Upon written direction by the Village to Owner, following substantial completion of residential construction within that parcel of the Subject Property designated on the Property Zoning Map "R-1 Residential 66 Units Max.", Owner shall cause those parts of Half Mile Trail, Pleasant Hill Road (between Bay Road and Half Mile Trail) and Bay Road to be resurfaced or reconstructed, as reasonably required by the Village Engineer. The specifications for resurfacing or reconstruction shall be reasonably determined by the Village Engineer and the cost of the improvements shall be covered by letters of credit filed by the Owner at the time of first final plat approval, in accordance with paragraph 7, below. In the event the Village Engineer determines these improvements constitute improvements benefiting other surrounding property owners, and are not simply repairs due to development of the Property, the Owner and Village shall enter into a recapture agreement as specified by the Village Engineer and in accordance with Section 5, below.

f. Easements. The Owner shall grant to the Village such easements requested by the Village from time to time in locations agreed upon by the Village and the Owner. Utility easements for public sewer or water facilities shall be located within public rights-of-way and/or open or common space areas within the Property only upon execution of franchise agreements, by utility owners, with the Village Board and in compliance with applicable regulations reasonably adopted by the Village from time to time.

The Village shall cooperate with Owner in obtaining all easements necessary to, and shall grant Owner reasonable access to all Village-owned rights of way to enable Owner's provision of sanitary sewer service to the Property, if needed. The Village agrees to exercise its powers of eminent domain, subject to applicable law, to acquire any easements reasonably needed between

the Property and the sewer plant and/or water source(s) in order to construct, use, operate, repair, maintain, replace and/or remove sewer and water utility facilities, for the purpose of supplying utility service to the Property by third parties with whom the Village has executed franchise agreements. The locations for any easement routes subject to condemnation shall be approved by the Village provided they provide a continuous and substantially direct route to the Property and are cognizant of engineering considerations. The Owner shall reimburse the Village for all landowner compensation, attorneys fees, expert fees and other costs related to any such condemnation.

g. Residential Development Restrictions. Owners shall not construct any residential dwelling units on the Property prior to October 1, 2011.

h. Underground Utilities. Except as provided in this subparagraph 4h, Owner may leave in their current condition, and shall not be required to bury, all existing public utilities, cable lines and conduits located at the Property. Prior to issuance of any building permits within that part of the Property classified R1, Residential, 66 units maximum, adjacent to Half Mile Trail on the north, Owner shall cause all existing public utility poles, lines, cables and conduits within the Property to be buried. All newly constructed utility services within the Property shall be buried.

i. Landscape Plans. With regard to the single family detached homes constructed in those portions of the Property zoned residential as depicted on the Property Zoning Map, prior to occupancy permits being issued, the Owner shall provide evidence to the Village building inspector, if deemed necessary by the building inspector, that at least 2.5% of the value of the home constructed, based on the value evidenced in the building permit application, was spent on landscaping the residence (not including sod installation costs). In the event weather or other circumstances do not permit installation of landscaping at the time of occupancy, the value for the landscaping shall be determined pursuant to a signed landscaping contract, in which case the occupancy permit may be temporary. Prior to each final plat of subdivision throughout the Property, Owner shall provide landscape plans, including publicly-dedicated walking trails, constructed in accordance with a design by the Village consultant, Applied Ecological Services, and paid for by Owner. The width of the walking trails shall not exceed eight feet and shall be located along the perimeter of the Property.

j. Fencing. No fencing of any type shall be permitted anywhere on the Property, except in accordance with the Village Code or as otherwise specified in the Architectural Guidelines attached hereto as Exhibit "5" and made a part hereof (the "Design Guidelines"); provided that the foregoing fence provision shall not apply to (i) that certain portion of the Property containing approximately 50.69 acres on which TC Industries, Inc. and Processed Steel Company, affiliates of Owner, currently have facilities and (ii) those certain portions of the Property containing grade-level or above grade level sanitary sewer and water utility facilities on the east side of Route 31 at its intersection with Half Mile Trail as depicted on the Property Zoning Map.

k. Covenants. Prior to any final subdivision plat approval, Owner shall provide, for Village Board approval, which approval shall not be unreasonably withheld, covenants and restrictions to be recorded against the portion of the Property being platted by the

Owner at the Owner's cost. If such portion of the Property is platted in Phases, the declaration shall be recorded against each applicable Phase as each Phase is recorded (or by recording a supplement to the declaration binding each additional platted area to its terms). If the Phases involve a different housing product type, different owners or different forms of ownership (such as a condominium) there may be more than one form of covenants for such portion of the Property. In any case however, any declaration of covenants shall provide for the creation of a common area association, assessment of properties to cover expenses of the association, and the performance of maintenance for common areas. Each association shall be responsible for maintenance of all common areas, including property it owns in fee title, property for which it has been granted a maintenance or landscape easement, property in rights-of-way for which the association has been given maintenance responsibility, and specifically without limitation, all retention or detention ponds, sedimentation basins, trails, and other common areas. All common areas designated on a final plat of subdivision shall be conveyed to the association in fee simple, and shall be free of all liens and financial encumbrances (other than taxes) at the time of conveyance. If there are a series of declarations and/or homeowners associations, a master declaration may be recorded by the Owner to coordinate the activities of the various associations to insure uniform maintenance. It is acknowledged and agreed that the Village shall have the right, but not the obligation, to enforce all provisions of the homeowners' association charters, bylaws, and covenants, as they relate to issues pertaining to stormwater retention and detention, common landscaping, open space and common amenities which may adversely impact homeowners in the development, and that all such documents shall so provide. Prior to Village approval of the first final plat of subdivision within the Property, Owner and Village agree to establish a Special Service Area over the Property to finance special municipal services as a back-up measure to the private "homeowners' association" and assessment to ensure the continued maintenance of the Property.

l. Stormwater Management. Owner shall comply with the standards set forth in Village Ordinance No. 397 adopting the McHenry County Stormwater Management Ordinance, as amended from time to time. Provided, however, notwithstanding anything herein to the contrary, the grading standards of Applied Ecological Services with respect to grading the Property shall be complied with, excluding the industrial classified portion of the Property, while under single ownership by Terra Cotta Realty Co., shall be subject to the reasonable approval by the Village's consultant Applied Ecological Services, Brodhead, Wisconsin.

m. Sanitary Sewer and Water.

(i) The Property shall be developed with sanitary sewer and water utilities operated by private companies serving members of the public. Septic systems and individual, private wells shall be prohibited on the Property. Provided, however, all existing private water wells may continue to be used for their current purposes. All sanitary sewers and potable water lines shall be installed in locations as approved by the Village Engineer. The Village shall allow sanitary sewer and water lines and related improvements to be located within Village road right-of-ways; provided, that franchise agreements are entered into between the Village and the owner or operator of the water and sewer facilities prior to submission of any proposed final plat of subdivision or planned development for Village Board approval. All such improvements constructed by the Owner shall be conveyed to the owner and operator of the sanitary sewer and water systems after

testing, inspection and approval by the Village to ensure that construction meets Village codes and prior to final acceptance of the development. Letters of credit pursuant to the provisions of Paragraph 7 herein and the Village's Subdivision Control Ordinance shall be required to secure completion of such private improvements.

(ii) Owner shall pay for its usage of the sewer and water system required to service development of the Property to the private owner and operator thereof. There shall be no Village tap-on, user or other fees payable by Owner for connection to the sanitary sewer and potable water lines serving the Property or otherwise. Owner hereby indemnifies the Village for all related costs imposed by the owner and operator of the wastewater treatment and potable water plants and collection systems. In the event the Village inspects utility connections, a fee and retained personnel may be charged.

(iii) All existing and future sanitary sewer and potable water mains shall be considered permitted uses on the Property, so long as the improvements are in locations and constructed in accordance with applicable Village franchise agreements, approved master utility plans and with the written approval of the Village's Engineer, which approval shall not be unreasonably withheld. The Village will not object to the collection from bulk purchasers of individual lot owners a fee to reimburse Owner for any costs advanced for the construction of the sewer and water systems.

n. Construction Traffic. Prior to each final subdivision plat approval, the Owner and Village Board shall agree upon the locations and duration of construction traffic routes on and off-site of the parcel being proposed for approval. It is anticipated that, unless authorized by resolution of the Village Board, all construction traffic traveling to the Property shall utilize Illinois Route 31, Half Mile Trail and Edgewood Road. No construction traffic shall be permitted on any other local road within the Village, unless separately authorized by resolution of the Village Board. The Village reserves all rights to adopt ordinances to enforce construction routes. The Owner shall file a road repair letter of credit with the Village to insure the Owner's repair of damage to streets within the Village caused by construction trucks. The duration of the letter of credit shall be for one-year intervals, but shall be renewed annually until such time that infrastructure associated with the development of the Property is completed and dedicated to the Village including, but not limited to, utilities and roads. The form and content and amount of the letter of credit shall be determined by the Village Attorney and Engineer but shall be limited to one hundred twenty percent (120%) of the estimated cost of repair. This letter of credit shall apply for those roadways within the subdivision being platted and those roadways reasonably determined by the Village Engineer that are necessary to adequately service the proposed platted subdivision.

o. Sales, Construction and Storage Trailers. The Owner shall have the right to locate sales, construction and storage trailers on the Property. Prior to final subdivision plat or planned development approval for each Phase of development of the Property, Owner shall submit to the Village Board for approval a plan showing the location of all proposed sales, construction, storage trailers, and outside storage areas, including parking area, fencing and landscaping. Access to such facilities shall be safe and adequate and shall consist of an asphalt binder course.

The Owner shall have the right to use said temporary facilities for the purpose of start-up construction and sales activities. If needed, the Village shall issue conditional certificates of occupancy for sales and construction trailers prior to the availability of permanent sanitary sewer and/or water service, provided all applicable health and building code standards are met. Each of the trailers (excluding storage trailers) shall be served by temporary sanitary and potable water facilities to be provided by the Owner. Once the first model is constructed in each Phase, the sales trailers shall be removed no later than thirty (30) days after an occupancy permit is issued for the model home in such Phase. The Owner agrees to leave such areas in a presentable state. At no time shall construction or storage trailers be parked closer than three hundred (300) feet from the nearest occupied home. Upon the sale of seventy-five (75) percent of the lots in each Phase, all construction and storage trailers shall be removed from that Phase of development.

p. Model Home Sites. After final subdivision plat, final plan and engineering approval, the Owner may begin construction of model home(s), other appurtenant facilities for said model homes, including temporary sanitary facilities, temporary parking areas, temporary trap fencing, temporary walkways and lighting for each of the model areas and landscaping for each housing product line. Said homes may not be occupied or used for any purpose until after completion of the installation of storm drainage systems and retention and detention areas and a binder course for roadway improvements for a Phase. A condition of approval for such model homes shall be that the Village's Building Inspector is reasonably satisfied that access to the model homes is safe and adequate. Access via stone or aggregate drive shall not be permitted to any model homes, unless installation of asphalt binder can not be installed because of weather conditions, as determined by the Village Board. In such event, an asphalt binder must be placed within the time limitation reasonably imposed by the Village Building Inspector. An asphalt binder course shall be installed prior to the opening of any model home to the public. The Owner shall have the right to occupy and use said models, as well as their garages, for sales, sales promotions and offices for sales personnel, in connection with the sale of dwellings on the Property. No model homes shall be permitted to be occupied as a residence, except when the model is closed for sales and offices purposes and converted strictly for residential use in accordance with applicable Village codes and ordinances. Models may be lit (interior and exterior) until 10:00 p.m. except for standard security lighting. No sales activity within such models for lots or dwelling units other than those in the subdivision where the model home is located shall be allowed. Owner shall have the right, at any time after the execution hereof, and upon issuance of all required permits, to undertake demolition or dismantling of temporary sales structures, provided they have been vacated, all rights of possession have been terminated, and all debris is disposed of off site.

q. Schedule of Development. As to each Phase of the Property that Owner will be seeking preliminary subdivision plat or preliminary plan approval, the Owner shall submit to the Village an estimated, non-binding schedule of development. The first schedule shall be submitted together with the first request for preliminary subdivision plat or preliminary plan approval and shall include work to be completed during the following year. The schedule of development shall be amended and updated annually thereafter upon request by the Village. It is acknowledged that said schedules are anticipatory in nature and will change from time to time as circumstances change and shall represent Owner's best estimate at the time of its intended schedule of development. The Owner understands that timely schedules are in the best interest of all parties to this Agreement.

r. Architectural Regulations. Relative to the development of the Property, Owner shall be required to comply with the Design Guidelines attached as Exhibit 5, notwithstanding any similar Village ordinance provision. The Design Guidelines shall be implemented and enforced jointly and severally by the Owner or the Village (through its Architectural Review Commission and procedural ordinances relating thereto), as necessary, to regulate development within the Property and shall be incorporated into the covenants and restrictions placed on the Property prior to the Village's approval of the first final plat of subdivision or planned development. All preliminary and final plats of subdivision or planned developments for any Phase or portion of the Property being platted shall be required to receive site plan and architectural design approval from the Village Board following review by its Architectural Review Commission.

s. Issuance of Permits. The Village shall use good faith in issuing permits required to develop the Property.

t. Landscaping Code. The Village Landscaping Code, as amended from time to time, shall apply to development of the Property. With regard to any provisions relating to tree removal/replacement, the Owner shall be allowed a reasonable credit for replacement pursuant to its landscape code and the replacement shall bear a reasonable relationship to the trees removed.

u. Utility Construction. The Owner shall comply with all Village ordinances adopted from time to time relating to construction of facilities (including water, sewer, telephone, cable, electric and gas) within the public right-of-way.

5. Recapture of Costs. Upon development of any portion of the Property, the Village reserves the right to require the Owner to construct reasonable additional, expanded or oversized municipal public improvements onsite or offsite of the Property or any portion thereof (other than potable water and sanitary sewer systems which shall be private) which benefit not only the Property, but also other properties being or to be developed in the relevant service areas for such improvements; provided, however, that such improvements are a material benefit to the Property and not primarily beneficial to adjacent properties. In such event, the following provisions shall apply and be included in a subsequent reimbursement agreement or recapture ordinance approved by the Village Board:

a. Benefited Property. The properties which may reasonably be expected to benefit directly or indirectly from the construction and installation of such additional onsite expanded or oversized improvements ("Benefited Property") shall be reasonably determined by the Village Engineer.

b. Reimbursement. The Owner shall be allowed reimbursement for expanded or oversized improvements either on-site or off-site, based on proportionate use as reasonably determined by the Village Engineer. Calculation of the reimbursement shall commence following the Village Engineer's certification that the public improvement is substantially complete and available for public use.

c. Collection. The Village shall endeavor to collect a pro rata sum of money from the owners of the Benefited Property upon connection to the various municipal public

improvements. The total sum subject to reimbursement to the Owner, as well as the pro rata sum to be collected from the Benefited Property owners shall be reasonably determined by the Village Engineer taking into account the following factors: construction and easement costs; professional fees; testing and analysis fees; and legal and administrative expenses. In addition, interest shall be collected from the commencement date of the reimbursement agreement or recapture ordinance of the Village calculated annually at one percent (1%) over the last July 1, five-year Treasury bill rate. The sum collected shall be paid to the Owner after deduction of two percent (2%) for administrative charges due Village. In the event that any State statute shall determine an interest rate other than set forth above, the State requirement shall prevail.

d. Payment Before Connection Permit. Subject to a non-appealable final court order, directing the Village to act otherwise, the Village shall not issue any connection permits or building permits to the Benefited Property owner until the Benefited Property owner pays the reimbursement charge set forth in this paragraph in full.

e. Village Not Liable. The Village shall use its best effort to collect the cost provided herein from the Benefited Property owners, but shall not be liable to the Owner if the Village is, for any reason, unable to collect said cost.

f. Recording. The Village and the Owner reserve the right to, at any time during the term of this Agreement, file the reimbursement agreement or recapture ordinance with the McHenry County Recorder of Deeds and notify the owners of the Benefited Property of its terms.

g. Indemnity. The Owner shall reimburse and indemnify the Village for all reasonable costs, engineering and attorney's fees and liability incurred by the Village at the request of the Owner in attempting to establish and collect the reimbursement amount subject to this reimbursement provision.

6. Fees Payable and Donations to the Village. The following fees shall be payable and donations made to the Village by the Owner:

a. Annexation Fees. Owner shall pay a lump sum fee of \$2,700 to the Village within five (5) days of execution of this Agreement. This fee includes reimbursement of certain retained personnel fees incurred prior to 2006 and annexation fees relative to the unincorporated property.

b. Local Government and School Impact Fees.

(i) Owner acknowledges that the development of the Property will impact schools, parks, library and fire protection districts and other public entities (sometimes referred to collectively as "Local Governments") servicing the Property. To reduce the effects of this impact, and as a condition of this Agreement, Owner shall be obligated to pay to the Village certain cash donations, per single family dwelling unit developed on the Property. These cash donations shall be paid at the time application is made to the Village for the issuance of each residential building permit and calculated as provided herein.

(ii) The cash donations payable by the Owner to the Village shall be calculated as follows (“Minimum Cash Contribution Amount”):

| Type of Residential Dwelling Unit | School Impact Fee | School Transition Fee | Fire Protection District | Park Impact Fees ¹ |
|-----------------------------------|-------------------|-----------------------|--------------------------|-------------------------------|
| Single Family Detached Dwellings: | | | | |
| 3 Bedrooms (or fewer) | \$8,134.20 | \$2,450.21 | \$541.00 | |
| 4 Bedrooms | \$16,619.47 | \$5,265.49 | \$541.00 | |
| 5 Bedrooms | \$9,715.77 | \$2,713.65 | \$541.00 | |
| Single Family Attached Dwellings | | | | |
| 2 Bedrooms | \$1,255.84 | \$337.69 | \$541.00 | |
| 3 Bedrooms | \$4,209.11 | \$1,389.09 | \$541.00 | |
| 4 Bedrooms | \$10,203.41 | \$3,337.93 | \$541.00 | |

At the end of each one-year period and beginning on January 1, 2008, the cash donations due, in accordance with the above chart, shall be adjusted upward by the percent, which the Chicago Area Consumer Price Index has moved upward since December 31, 2007 and every December 31 thereafter. For purposes of this paragraph, the price index to be used for comparative purposes, shall be that index published for the annual average Chicago Area CPI-U, as published by the United States Department of Labor, Bureau of Labor Statistics.

(iii) Subsequent to January 1, 2015, in the event the Minimum Cash Contribution Amount, as calculated above, is less than the cash contribution amounts set forth in the Village’s cash contribution ordinance for schools, parks libraries and fire districts, as amended from time to time, an amount equal to the amounts specified in the Village’s cash contribution ordinance shall be paid, rather than the Minimum Cash Contribution Amount. Each Local Government (including school districts) ultimately receiving these funds following distribution by the Village Board shall each have the sole authority to determine the use of such fees, including operation and maintenance of their respective facilities and property. Prior to distributing any funds to any other Local Government, the Village shall be in receipt of an executed Intergovernmental Indemnification Agreement in favor of the Village. The Village Board shall approve the form and content of any such

¹ Pay pursuant to applicable Village ordinance.

agreement. At the time of distribution of the fees to any other Local Government, the Village shall deduct an administrative fee of three percent (3%) of the funds to be distributed. In the event the Village fails to distribute any or all impact or transition fees collected to the Local Government intended to benefit from such donation, the Village shall indemnify the Owner for any and all liability to such Local Government resulting therefrom.

(iv) In the event an indemnification agreement, in a form and content approved by the Village, is not executed by the receiving Local Government prior to distribution of said funds to the Local Government, the Village may retain the entire amount paid pursuant to this paragraph for Village use. Nothing herein is intended to create third party beneficiary rights in any other Local Government.

(v) Owner hereby releases the Village from any liability or damage to Owner and waives any right to challenge, by lawsuits or otherwise, the legality or validity of the fees chargeable to or donations required of Owner or purposes for which the money is spent. Owner further agrees not to pay any fees under protest.

(vi) In the event the Village's cash contribution ordinance, or any other ordinance of the Village relating to developer cash contributions for schools, parks, libraries and fire districts, is repealed or declared by a court of law to be found unenforceable, and all appeals have been exhausted, Owner agrees to pay, subsequent to such final court action, the Minimum Cash Contribution Amount set forth in this section. In the event such a final court order requires the Village, school districts or other Local Government to return or refund monies paid by the Owner pursuant to the Village's ordinances, Owner expressly agrees that it will allow the Village, school districts or other Local Government to retain the Minimum Cash Contribution Amount previously paid by Owner. It is the express intent of the Owner to release the Village, school districts and other Local Governments from any liability or obligation to refund the Minimum Cash Contribution Amount paid pursuant to this section under any circumstances.

(vii) Owner acknowledges that there may be a special district created to fund, in whole or in part, a new library or the expansion of an existing library for the use of the residents of the Village. In the event that such a district is established and the funding for construction of the facility is approved and assessed against all residents on an equal basis, then the occupied residential units within the Property may be assessed accordingly. However, with regard to residential units for which occupancy permits have not been issued within the Property at the time such funding is approved, Owner shall pay the annual funding liability accrued since October 1, 2011, or its inception, whichever is later, for such units as assessed on a per unit basis upon the issuance of each residential building permit.

c. Village Impact Fee. The following Village municipal impact fee for the additional municipal services created as a result of new residential development of the Property shall be due and payable:

(i) Residential:

\$3,000.00 per each proposed residential dwelling unit paid as follows: upon approval of each final subdivision plat or planned development, 10% of the fee for each unit and 90% of the fee upon issuance of each building permit. For purposes of this paragraph, each residential dwelling unit within each townhome or multi-family structure shall be obligated to pay this fee; and

\$150.00 per bedroom, payable at the time of issuance of a building permit. For purposes of this Agreement, a "bedroom" shall mean a room with a doorway intended to close access to the remainder of the residence, and a closet but excluding pantries or other small enclosures intended primarily for storage of items not typical of a clothes closet.

(ii) Commercial:

\$1.00 per square foot of building floor space, payable at the time of final plat of subdivision or planned development approval; provided, that unless reclassified to a commercial use, no such municipal impact fee or other fee or charge hereafter imposed by the Village shall be due and payable with respect to that certain portion of the Property containing approximately 50.69 acres on which TC Industries, Inc. and Processed Steel Company, affiliates of Owner, currently have facilities including, without limitation, any additions or modifications to those facilities.

d. The Village shall not adopt any increase in the fees referenced in Paragraphs 6.b or 6.c above (other than by rates associated with annual CPI increases) until January 1, 2015. However, the Village reserves the right to adopt ordinances increasing any other fee associated with the Property, including without limitation, building permit fees, subsequent to January 1, 2012 as long as they are imposed in a uniform and non-discriminatory manner throughout the Village. Thereafter, the all such fees payable by Owner shall be in accordance with the applicable fee ordinances which are in effect at the time the fee is due pursuant to applicable provisions of the Village Municipal Code, as amended from time to time, as long as they are imposed in a uniform and non-discriminatory manner throughout the Village.

e. Other Fees. Other than the fees and cash donations specified in the foregoing paragraphs, during the term of this Agreement, and notwithstanding any existing, new or revised donation ordinances of the Village, Owner shall not be required to donate any land, pay any amounts, and/or perform any additional donation or impact fee obligation. However, building permit fees, capital development fees, and other similar fees, which are charged for specific services provided by the Village, shall be payable in accordance with the Village ordinances in existence and as amended from time to time; provided, however, that any increase in an existing fee or any new fee is (a) made generally applicable to all owners, users and developers of property within the Village, and (b) such increase of new fee is reasonably related to costs incurred or expected to be incurred by the Village in providing a necessary service for which such a fee is assessed.

f. Retained Personnel/Architectural Committee Fees. At all times during the term of this Agreement, Owner shall be obligated to comply with the terms of the Reimbursement of Fees section of the Prairie Grove Municipal Code (Section 19.03), as amended from time to time. It is specifically acknowledged that, with regard to the Village architectural review committee, the Village will reconstitute this committee to include a licensed planner and architect. The planner and architect are anticipated to be paid consultants of the Village, whose expenses will be reimbursed during the architectural design review process for each planned development.

7. Letters of Credit. Only letters of credit, not surety bonds, shall be used as security for construction and maintenance of public improvements. It is understood that prior to and as a condition precedent to the construction of any streets or other public improvements, the Owner shall submit the required letter of credit, plans, final plat, specifications and an engineer's estimate of probable cost for approval by the Village's Engineer.

The Owner shall make all public improvements in accordance with the applicable ordinances of the Village, amended from time to time, final engineering plans prepared by the Owner and approved by the Village and pursuant to the terms of this Agreement. The Owner shall deposit with the Village a clean irrevocable letter of credit for each applicable Phase naming the Village as the sole beneficiary, issued by a financial institution having assets in excess of \$100,000,000.00. Each letter of credit shall be in an amount equal to one hundred and twenty percent (120%) of the estimated construction cost of the public improvements for such Phase as reasonably approved by the Village Engineer and shall be filed with the Village Clerk. Each letter of credit shall be enforceable for a period of not less than one (1) year from the date of the Village's approval of the final subdivision plat to secure the completion of streets and all other public improvements, including, but not limited to, landscaping, utilities, roads and improvements offsite of the Property. Each letter of credit shall be in a form and content approved by the Village Attorney, which approval shall not be unreasonably withheld, and in an amount required by the Village subdivision control ordinance and the Village Engineer, for that portion of the Property encompassed by each final plat of subdivision or planned development, as well as off site improvements for which a letter of credit has not previously been deposited with the Village necessary for the development of such area. In the event of a default by Owner with respect to such public improvements, the Village shall have the right to draw up to the full amount of the letter of credit in the Village's sole discretion in order to complete and have formal acceptance of all improvements secured by the letter of credit.

The Village shall reduce the letter of credit by an amount corresponding to work completed after the Owner's request upon reasonable approval by the Village's Engineer. The Owner agrees not to request a reduction to the letter of credit more than once every six months.

A maintenance letter of credit equal to fifteen percent (15%) of the approved estimated cost of such improvement shall be provided for an interval of twenty-four (24) months immediately following the Village's acceptance of such public improvement for the purpose of insuring proper maintenance of the public improvement and remedying any defects associated with such improvements.

8. Sales Tax Rebate. In the event Owner constructs Route 31 public improvements including those specified in paragraph 4(d), above, the Owner and Village shall negotiate a sales

tax rebate agreement. The terms of said agreement shall provide reimbursement of all or a portion of the sales tax generated from the commercially zoned portion of the Property for a period of time not to exceed ten (10) years after installation of the traffic signal improvements at Route 31 and Half Mile Trail. Said reimbursement shall be limited to 50% of Village sales tax generated from the commercially zoned portion of the property, not to exceed the expenses incurred by Owner in constructing said additional public improvements.

9. **Sale of Property.** The parties acknowledge that prior to the commencement of any development activities; the Owner will most likely transfer ownership to portions of the Property to one or more land developers or builders (sometimes "Purchaser"). Upon each sale or conveyance, the Purchaser shall become the "Owner" for purposes of this Agreement and shall be bound by and entitled to the benefits and subject to the obligations of this Agreement with respect to the part of the Property sold or conveyed. The obligations of each successor owner or Purchaser of any portion of the Property, including monetary obligations under this Agreement, shall constitute separate covenants running with the portion of the Property owned by such successor owner or Purchaser. However, any such transaction shall be subject to the Village's consent on the terms and conditions set forth below. The selling Owner shall notify the Village of such purchase or agreement or assumption of responsibilities. Upon sale or transfer of the Property or any portion thereof, the selling Owner may only be released from the obligations of this Agreement relating to the Property sold or transferred where:

a. Provision has been made that all such public improvements required by this Agreement or Village ordinance for the development of the portion of the Property being sold or transferred will be installed and guaranteed, in accordance with this Agreement and the ordinances of the Village; and

b. The Village has remaining in place acceptable assurances of performance that any development responsibilities not yet satisfactorily completed by the Owner anywhere on or offsite of the Property will be completed; and

c. Any outstanding monetary obligations of the selling Owner due and payable to the Village as of the time of conveyance have been satisfied in full; and

d. There is no violation of the Village's ordinances or this Agreement.

10. **Consent of Lender.**

Owner hereby represents that at the time of executing this Agreement, there exists no mortgagee, lienholder or holder of any security interest affecting title to the Property or any part thereof.

11. **Owner's Agreement not to Disconnect the Property.** Notwithstanding any rights that the Owner may have to disconnect the Property from the Village pursuant to the Illinois Municipal Code 65 ILCS 5/1-1-1, et seq. (the "Code"), including, but not limited to, Section 7-3-6 of the Code, the Owner hereby waives any and all rights to disconnect the Property or any portion thereof from the Village in exchange for the benefits conferred upon the Property by this Agreement, unless the Village is in material default hereunder and such default continues after notice thereof has been given to the Village and the applicable cure period has expired.

12. **Village Ordinances.**

a. **Ordinance and Code Amendments.** Except as otherwise expressly stated in this Agreement, nothing in this Agreement shall be construed to prevent the Village from amending its existing ordinances, adopting new ordinances or imposing new taxes which apply generally throughout the Village, including the Property and its development, as long as they are imposed in a uniform and non-discriminatory manner, except that (i) the Village shall not re-zone any portion of the Property (other than as expressly required hereunder) or otherwise amend the Village Zoning Map in a manner inconsistent with the Property Zoning Map (other than as expressly required hereunder), (ii) any new tax, fee or charge applicable specifically to industrial or manufacturing businesses shall not apply to TC Industries, Inc. or Processed Steel Company, affiliates of Owner, and (iii) the Village shall not enact any new ordinance or code that would restrict or limit the right of Owner to sell, convey, lease or otherwise transfer all or any portion of the Property.

The Village acknowledges and agrees that (a) the approximately 50.69 acre portion of the Property containing the facilities occupied by TC Industries, Inc. and Processed Steel Company, affiliates of Owner, is currently used for manufacturing and industrial uses; (b) such uses are permitted uses; and (c) such facilities may be expanded or modified from time-to-time by Owner for manufacturing, industrial or other uses permitted under the Village Zoning Ordinance using comparable exterior materials and up to the same maximum height as exists there today (new construction shall be subject to all yard setback requirements), subject to applicable zoning approvals.

The Village acknowledges and agrees that (a) the portions of the Property containing grade-level or above-grade level sanitary sewer or water facilities; (b) such uses are permitted as special uses; and (c) such facilities may be added to, modified or replaced from time-to-time by Owner or the public utility company owning, leasing or maintaining such facilities as authorized by the Illinois Commerce Commission for sanitary sewer or water uses without any zoning, rezoning, special use permit or plan approval required (a building permit shall be required).

Owner acknowledges the development of the Property is subject to all of the ordinances adopted by the Village, except as otherwise expressly stated in this Agreement.

b. **Codes.** Except as specifically and expressly set forth herein, the Village codes, ordinances and regulations, as amended from time to time, shall apply to the development of the Property.

c. **Less Restrictive Ordinances or Code.** If, during the term of this Agreement, except as otherwise specifically agreed upon in this Agreement, any existing, amended, modified or new ordinances, codes or regulations affecting the zoning, subdivision, development, construction of improvements, buildings or appurtenances, or any other development of any kind or character upon the Property are adopted, amended or modified, as the case may be, in a manner to impose less restrictive requirements on development of, or construction upon, properties in similarly zoned and developed parcels within the Village, then the benefit of such less restrictive requirements shall inure to the benefit of the Owner and its successors and assigns. Anything to

the contrary contained herein notwithstanding, the Owner may elect to proceed with respect to the development of, or construction upon, the Property with the less restrictive amendment or modification applicable generally to all properties within the Village, except for those other properties subject to existing annexation agreements.

d. More Restrictive Ordinances or Codes. If during the term of this Agreement, except as otherwise specifically agreed upon in this Agreement and specifically without limitation, The Property Zoning Map to this Agreement, any existing, amended, modified or new ordinances, codes or regulations affecting the zoning, subdivision, development, construction of improvements, buildings or appurtenances, or any other development of any kind or character upon the Property are adopted, amended or modified, as the case may be, in a manner to impose more restrictive requirements on zoning, subdivision, development of, or construction of improvements, buildings or appurtenance upon, properties in similarly zoned and developed parcels within the Village, then the more restrictive requirements shall be binding upon the Property and the Owner, its successors and assigns, as long as such new or amended ordinances, codes or regulations are reasonably necessary and for purposes of directly furthering the health and safety of residents of the Village or to the extent needed to comply with State or Federal mandates and are applied in a uniform and nondiscriminatory manner throughout the Village.

e. Residential Density. The Village shall not adopt any ordinances which reduce the residential density of the Property; changes the bulk requirements of any the zoning classifications of the Property; changes the zoning classification of the Property; prevents the Property from being serviced by sewer, water or other utilities; or would negate any approval granted herein.

13. Settlement of Litigation. Upon execution of this Agreement, the parties shall execute a Mutual General Release and Village and Owner shall execute and enter an Agreed Order dismissing, with prejudice, the Lawsuit.

14. Default. In the event that either party shall fail to fulfill its obligations hereunder and such failure continues for thirty (30) days after written notice thereof is given by the non-defaulting party to the defaulting party, the non-defaulting party shall have the right to pursue any and all legal or equitable remedies available against the defaulting party under applicable law including, without limitation, specific performance, damages, mandamus, injunction and collection on letters of credit.

15. Miscellaneous.

a. Agreement Applies to All Property. It is the express intent of the Parties that the terms of this Agreement apply to all of the Property.

b. Time is of the Essence. It is understood and agreed by the parties hereto that time is of the essence in this Agreement.

c. Term. The term of this Agreement shall be for twenty (20) years commencing as of the date in 2006 first appearing above, and shall be extended for the period of any litigation concerning performance of this Agreement. The Village acknowledges and agrees

that Owner has a vested right to the zoning of the Property in accordance with the Property Zoning Map and that such vested right shall not expire upon the end of the term of this Agreement.

d. Covenants Running with the Land. The terms and conditions of this Agreement shall constitute real estate covenants which shall run with the land and the Property and be binding upon the successors, assigns, purchasers and grantees of the Owner during the term of this Agreement. The Owner hereby consents to the filing of a lien on the Property for which the obligations are owed when any obligations are overdue for more than ninety (90) days after written notice thereof is given to Owner.

e. Mutual Assistance. The parties shall do all things reasonably necessary or appropriate to carry out the provisions of this Agreement and to aid and assist each other in carrying out the terms and objectives of this Agreement.

f. Enforcement. The Village may withhold building and occupancy permits from being issued upon its reasonable determination of breach of this Agreement (if such breach continues after written notice thereof and the expiration of any applicable cure period) or ordinance violations by Owner in the development of the Property. A stop work order issued by the Village, upon twenty-four (24) hours prior notice to Owner, directing work stoppage on any building or other improvement shall be in writing and specify the section of the ordinance, code or regulation, or this Agreement, allegedly violated. The nature of the violation shall be provided and the order shall give Owner at least thirty (30) days in which to cure such violation. The party in default shall forthwith proceed to correct any such violation as does in fact exist. Stop orders shall affect only the work, which is the subject of the order, and shall not delay or prohibit any construction activity in any other Phase. Notwithstanding the foregoing, if a violation poses an imminent threat to public health or safety, as reasonably determined by the Village Building Inspector or Engineer, the stop work order shall be effective when given. A stop work order issued for any reason shall be deemed an order that all work of any kind on the improvement, which is subject to the order cease until such time as the cited violation is corrected. Upon correction of any such violation to the satisfaction of the Village, work on any building or improvement subject to the stop work order may recommence. If legal action is brought for enforcement of this Agreement or with respect to an alleged default, the unsuccessful or non-prevailing party shall pay to the successful or prevailing party its reasonable attorneys' fees, court costs and expenses incurred in connection therewith promptly after all rights of appeal have expired or been exhausted.

g. Indemnification. If a third party commences any legal action against the Village, the Village Board of Trustees, the President of the Village (not individually, but in his or her official capacity), the Planning and Zoning Commission of the Village and the Chairman of the Planning and Zoning Commission (not individually, but in his or her official capacity) (collectively, the "Village Parties") relating to this Agreement and the Village is not in default hereunder, then at the written request of the Village Party which has been sued, the Owner shall reimburse such Village Party for its reasonable attorney's fees, expert witness fees, court costs and other related expenses.

Owner shall indemnify and hold harmless any Village Party against and be liable for, any judgment rendered against any Village Party or other liability of a Village Party arising out of or relating to any such legal action.

h. 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: Village of Prairie Grove
Attn: President
3125 Barreville Road
Prairie Grove, Illinois 60012

with a copy to: Zukowski Rogers Flood & McArdle
Attn: David W. McArdle
50 Virginia Street
Crystal Lake, Illinois 60014

For the Owner: Terra Cotta Realty Co.
Attn: Thomas Z. Hayward, Jr.,
Chairman
3703 South Route 31
Crystal Lake, Illinois 60012

with a copy to: Bell, Boyd & Lloyd LLC
Attn: Gregory R. Andre
70 W. Madison Street, Suite 3100
Chicago, Illinois 60602-4207

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

i. No Waiver. Failure of any party to this Agreement to insist upon the strict and prompt performance of any of the covenants, agreements, terms and conditions herein contained 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.

j. Recording. The Village, at the expense of the Owner, shall record a copy of this Agreement and any amendment.

k. Severability. If any provision, clause or any part thereof of this Agreement is held to be 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, clause or part thereof, such provision, clause or part thereof shall only be deemed to be excised and the invalidity thereof shall not affect any of the other provisions contained herein.

1. Conflicts. If there are any conflicts or inconsistencies between the provisions contained in this Agreement or the ordinances required to be enacted herein and the provisions contained in any codes, ordinances, agreements, plans, rules or regulations of the Village, then the provisions contained in this Agreement shall govern, prevail and supersede them in all respects.

m. Amendment. The parties hereto acknowledge that certain future amendments to this Agreement may affect only a portion of the Property. In such event, this Agreement may be amended by written agreement between the Village and the legal owners of fee title to that portion of the Property which is subject to and affected by such amendment as provided by law; provided, that such amendment, if not executed by the then owners of other portions of the Property, shall in no manner alter, amend, or modify any of the rights, duties or obligations as set forth in this Agreement as they pertain to such other portions of the Property.

n. Entire Agreement. This Agreement sets forth all agreements, understandings and covenants between the parties hereto. This Agreement supersedes, and the parties hereto shall not rely upon, any prior promises, understandings or agreements between them relative to the subject matter of this Agreement.

o. Prior Agreements. This Agreement shall completely supersede any prior annexation agreements regarding all or any part of the Property, including that certain Annexation Agreement dated February 10, 1977 and that certain First Amendment to Annexation Agreement dated October 1, 1987. All claims or vested rights under any prior annexation agreements relating to the Property are hereby waived.

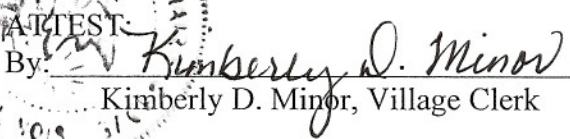
p. Procedures. With regard to the notice, hearing and other procedures followed by the Village and its Boards and Commissions relative to the execution of this Agreement, the annexation of the Unincorporated Property, the zoning of the Property and the enactment of all ordinances required hereunder, Owner and the Village hereby waive any right to assert any claims or lawsuits based upon such procedures being invalid, improper or unlawful in any manner whatsoever.

q. Authority to Execute Agreement. The undersigned hereby represent that they have been duly authorized to sign this Agreement on behalf of the entities indicated.

IN WITNESS WHEREOF, the Village and the Owner have caused this Agreement to be executed as of the date first written above.

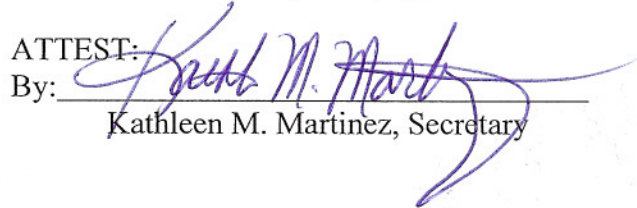
VILLAGE
VILLAGE OF PRAIRIE GROVE

By: 
Michael E. Breseman, President

ATTEST:
By: 
Kimberly D. Minor, Village Clerk

OWNER:
TERRA COTTA REALTY CO.

By: 
Thomas Z. Hayward, Jr., Chairman

ATTEST:
By: 
Kathleen M. Martinez, Secretary

06-53-9659

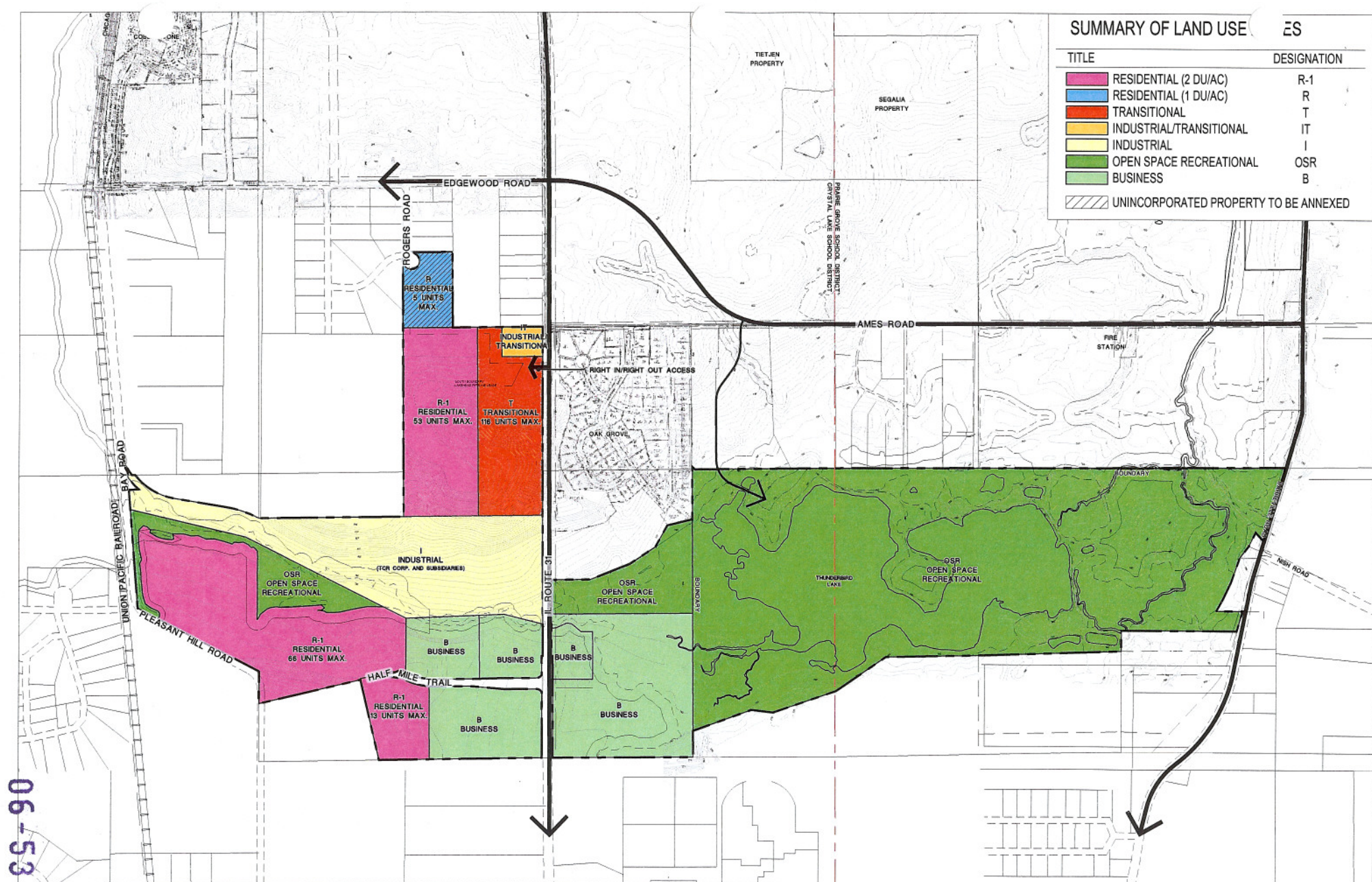
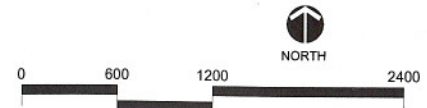


Exhibit 4a

PROPERTY ZONING MAP

TERRA COTTA

PRAIRIE GROVE, IL.



Scale: 1" = 1200'
 Date: September 13, 2006

SHEET FILE: T:\Terra Cotta\Coll\Rem\Rem\Land\zoning\plan.dwg
 Base mapping compiled from best available information. All map data should be considered as preliminary, in need of verification, and subject to change. This land plan is conceptual in nature and does not represent any regulatory approval. Plan is subject to change.