

REDEVELOPMENT AGREEMENT

THIS REDEVELOPMENT AGREEMENT (the "Agreement") is made and entered into as of the 1st day of March, 2005 (the "Effective Date"), by and among the City of Valparaiso, Indiana (the "City"), a political subdivision of the State of Indiana; the City of Valparaiso Redevelopment Commission (the "Commission"), the governing body of the Department of Redevelopment of the City and the Redevelopment District of the City; Vale Park Development, LLC (the "Developer"), a limited liability company organized under the laws of the State of Indiana; and Urschel Development Corporation (the "Corporation"), a corporation organized under the laws of the State of Indiana;

W I T N E S S E T H:

WHEREAS, the Commission exists and operates under the provisions of Indiana Code 36-7-14, as amended from time to time (the "Act"); and

WHEREAS, the Commission previously declared an area within the City known as the "North Central Redevelopment Area" to be blighted within the meaning of Indiana Code 36-7-14, as amended from time to time (the "Act"), thereby constituting a redevelopment area for purposes thereof (the location of which is indicated on the map attached hereto as Exhibit A) (the "Redevelopment Area"), designated the Redevelopment Area as an allocation area for purposes of Section 39 of the Act (the "Allocation Area"), and approved a redevelopment plan for the Redevelopment Area that incorporates a factual report supporting the Commission's blight findings (the "Redevelopment Plan"); and

WHEREAS, approximately thirty years ago, the City's first retail district outside of downtown was developed along north Calumet Avenue within the Redevelopment Area, including a shopping center commonly known as "County Seat Plaza" (consisting of the parcels referred to in Exhibit B attached hereto and incorporated herein) (hereinafter referred to as "County Seat"); and

WHEREAS, after a significant number of owners of property located within the Redevelopment Area and City residents formally expressed their concerns to the City and the Commission regarding the continued deterioration of County Seat and the hazardous traffic conditions that plagued the area adjacent thereto, the Commission, in conjunction with the City's Traffic and Safety Committee, the volunteer North Calumet Task Force and various engineering and planning consultants, began a comprehensive effort to investigate and study the problematic conditions existing in such area; and

WHEREAS, the City and the Commission both desire to foster redevelopment and economic development in the Redevelopment Area and are committed to developing a long-term solution that will remediate the blighted conditions at County Seat that negatively impact the North Central Redevelopment Area and the City as a whole, thereby best serving the social and economic interests of the City and its inhabitants; and

WHEREAS, following a public hearing on December 8, 2004, the Commission amended the Redevelopment Plan to add County Seat to the acquisition list contained therein; and

WHEREAS, the Commission then authorized its Executive Director, together with other officers of and consultants to the Commission, to devise a plan for redevelopment of County Seat, including a proposal to improve accessibility and resolve hazardous traffic conditions through the addition of public improvements, and to secure an advance commitment from a developer to bid on any remaining County Seat property (the "Remaining Property"), including an obligation by the developer to redevelop the Remaining Property in a manner that will be open to the public and eliminate lingering blighted conditions in accordance with terms set forth by the Commission in an offering sheet to be prepared by or at the direction of the Executive Director pursuant to Section 22 of the Act (the "Offering Sheet"); and

WHEREAS, the Developer has expressed an interest in acquiring the Remaining Property and has proposed to eliminate blighted conditions and redevelop the Remaining Property (the "Project") in accordance with the preliminary site plan attached hereto as Exhibit C (the "Site Plan") and subject to the terms set forth by the Commission in the Offering Sheet; and

WHEREAS, the Developer acknowledges that the Commission has not yet acquired County Seat and that this Agreement evidences the advance commitment of the Developer to bid on the Remaining Property to be disposed of by the Commission and to develop the Project in a manner consistent with the public purposes to be advanced by the Commission, including the improvement of traffic flow and removal of blighted conditions, if the Commission acquires County Seat and the Developer is awarded the Remaining Property; and

WHEREAS, the Developer also acknowledges that because the Commission must comply with all laws applicable to property disposition under the Act when disposing of the Remaining Property, the Commission is not legally authorized to ensure that the Developer will be the winning bidder for the Remaining Property; and

WHEREAS, the City and the Commission are desirous of having the Remaining Property redeveloped as provided herein in order to serve the needs of the residents of the City by eliminating blighted conditions, to produce increased tax revenues for the various taxing districts authorized to levy taxes within the Redevelopment Area, and to spur additional economic development in the Redevelopment Area; and

WHEREAS, the Commission, after due and careful consideration, has concluded that the development of the Project as provided herein conforms with the Commission's Redevelopment Plan for the Redevelopment Area; and

WHEREAS, this Agreement has been submitted to the City and the Commission for consideration and review, and the City and the Commission have taken all actions required to be taken prior to the execution of this Agreement, recognizing that certain actions contemplated herein are subject to certain conditions and further action by the Commission and the City;

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants and agreements herein contained, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties do hereby agree as follows:

ARTICLE I. RECITALS

1.01 Recitals Part of Agreement. The representations, covenants and recitations set forth in the foregoing recitals are material to this Agreement and are hereby incorporated into and made a part of this Agreement as though they were fully set forth in this Section 1.01.

ARTICLE II. PURCHASE AND SALE OF REMAINING PROPERTY

2.01 Purchase and Sale of Remaining Property. Subject to the terms, provisions and conditions set forth herein, the Developer hereby commits to submit a bona fide bid to purchase the Remaining Property from the Commission within the timeframe specified in the Offering Sheet in an amount equal to the lesser of (a) One Hundred Fifty Percent (150%) of the costs incurred by the Commission in connection with its acquisition of County Seat, including, but not limited to, expenditures for planning, appraisal, engineering, title, financial consultant and legal services, any damages assessed, relocation assistance required and expenses incurred in any eminent domain proceeding that may be necessary to acquire County Seat and financing costs in connection therewith (collectively, the "Acquisition Costs"); or (b) Seven Million Dollars (\$7,000,000) (such amount being hereinafter referred to as the "Purchase Price"). Should the Commission select the Developer as the winning bidder, closing on the purchase of the Remaining Property and funding of the Purchase Price shall occur within thirty (30) days after the acceptance of such bid by the Developer (the "Closing Date").

ARTICLE III. MUTUAL ASSISTANCE

3.01 Mutual Assistance. The parties agree, subject to further proceedings required by law, to take such actions, including the execution and delivery of such documents, instruments, petitions and certifications (and, in the case of the City and the Commission, the adoption of such ordinances and resolutions), as may be necessary or appropriate, from time to time, to carry out the terms, provisions and intent of this Agreement and to aid and assist each other in carrying out said terms, provisions and intent.

ARTICLE IV. COVENANTS OF THE CITY AND COMMISSION

4.01 Redevelopment of County Seat. The Commission shall use its best efforts to take such actions as may be required and necessary to redevelop County Seat, including making an offer to purchase County Seat and negotiating such offer with the County Seat's current owners in compliance with Section 19 of the Act; provided, however, that although the Redevelopment Plan currently contemplates the Commission's acquisition of County Seat, the parties acknowledge that the Commission reserves full discretion to elect not to acquire County Seat if the Acquisition Costs are excessive or the Commission otherwise determines the acquisition of County Seat is not the best solution for the redevelopment thereof.

4.02 Public Improvements. In accordance with the Redevelopment Plan, upon acquiring County Seat, the Commission shall use its best efforts to cause infrastructure and other

public improvements necessary for the redevelopment of County Seat to be completed, including, but not limited to, the construction of a roadway through County Seat and adjacent property to improve access throughout the area bounded by Calumet Avenue, Vale Park Road and Bullseye Lake Road, and to eliminate blight, including demolition, planning and design costs specifically incurred in connection therewith, all at a cost equal to Two Million Dollars (\$2,000,000) (collectively, the "Public Improvements"). To the extent that the Commission includes the completion of the Public Improvements, or a portion thereof, in its Offering Sheet, the Developer will be entitled to submit a bona fide bid in an amount equal to the Purchase Price and be credited for the amount of such portion of the Public Improvements to be completed by the Developer.

4.03 Financing of Acquisition Costs and Public Improvements. Pursuant to the Act, the Commission shall use its best efforts to issue one or more series of bond anticipation notes (collectively, the "BANs"), which will be payable from bonds backed only by tax increment generated in the Allocation Area and the Consolidated Valparaiso Allocation Area ("TIF Revenues"), to permit a short-term financing of the Acquisition Costs and Public Improvements. Such BANs shall be sold to a local bank in contemplation of a permanent financing in which one or more series of bonds will be issued (collectively, the "Bonds") and sold to the Developer or an affiliate thereof, so long as the Developer is the recipient of the Remaining Property, with the proceeds of the sale of the Remaining Property to be applied to reduce the amount of Bonds to be issued. The Bonds will be secured solely by TIF Revenues, shall bear a rate of interest not in excess of the rate the Bonds would bear if secured by a property tax back-up and will mature not later than twenty (20) years from the date of issuance thereof.

4.04 Disposition of Remaining Property. The Commission shall, subject to further proceedings required by law, use its best efforts to dispose of the Remaining Property to a qualified bidder in accordance with Section 22 of the Act for the remediation of the blight and redevelopment thereof. When offering the Remaining Property for sale to the public, the Commission shall prepare the Offering Sheet to furnish to prospective bidders setting forth specific criteria such bidders would be required to satisfy, including, but not limited to, a minimum investment towards the elimination of blight and redevelopment of the Remaining Property, specific development requirements and timeframes, an agreement to purchase the Bonds, and a commitment that the Remaining Property will be used in a way that is open to the public.

4.05 Approvals. Further, the Commission and the City, contingent upon all required approvals having been received and the Developer being the recipient of the Remaining Property, agree to act as necessary in good faith using their respective best efforts and on a schedule consistent with the requirements of the Developer to provide approval for or assist the Developer with the securing of all permits, licenses, approvals and variances required to complete the Project.

ARTICLE V. COVENANTS OF THE DEVELOPER AND CORPORATION

5.01 The Project. So long as the Developer is the recipient of the Remaining Property, the Developer agrees to eliminate blighted conditions and redevelop the Remaining Property to

implement the Project in accordance with the spirit and intent of the Site Plan described in Exhibit C attached hereto and subject to the terms of the Offering Sheet and this Agreement. In addition to the Developer's commitment to submit a bona fide bid for the Remaining Property in accordance with this Agreement, the Developer shall infuse a minimum private investment towards the implementation of the Project in an amount not less than Six Million Five Hundred Thousand Dollars (\$6,500,000) (such investment is in excess of any moneys spent to complete the Public Improvements). The Developer's obligations under this Section 5.01 of this Agreement are contingent on it being the successful bidder for the Remaining Property.

5.02 Development of Project. The Developer hereby further commits to implement the Project in a timely fashion and upon its acquisition of the Remaining Property, the Developer will immediately commence planning activities regarding the Project with reasonable promptness in construction and completion. The parties acknowledge that the efficient development of the Project depends upon numerous factors, such as market orientation and demand, interest rates, competition and similar factors. Accordingly, the timing, sequencing and phasing of the Project, unless otherwise set forth in this Agreement or the Offering Sheet, is at the discretion of the Developer. Except as expressly set forth in this Agreement or the Offering Sheet, the Commission shall not impose, by resolution, initiative or otherwise, any restrictions on such timing, sequencing or phasing of the Project. In furtherance of the efficient development of the Project, the Commission and City acknowledge that, subject to applicable legal provisions, including the Developer's satisfaction of all required procedural matters, they will not withhold or delay approval of any approvals or entitlements for development of the Project or the construction of Public Improvements required that are consistent with the terms and conditions of this Agreement and the Offering Sheet. The Developer shall commence development of the Project within thirty (30) days of the Closing Date. For the purpose of this Section 5.02, "Commencement of Development" shall mean that the Developer has acquired the Remaining Property and has engaged architectural or land planning professionals to develop plans and specifications for the Project. The Developer shall file land use applications with and seek other necessary approvals from the appropriate bodies within sixty (60) days of the Closing Date and shall diligently pursue the same using all commercially reasonable efforts to obtain the same within one hundred twenty (120) days of the Closing Date. The Project shall be completed in phases and the first Phase ("Phase 1") shall be completed within one (1) year after the Developer obtains the Planning Approvals (as defined in Section 7.01 hereof). Phase 1 shall include the substantial completion of the Public Improvements and demolition and reconstruction of at least forty percent (40%) of the Project as described in the Final Plans (as defined below). The Project shall be completed in three (3) years from the Commencement of Development. All time periods are subject to permitted delays provided for in Section 5.03 hereof.

5.03 Permitted Delays. Whenever performance is required of any party hereunder, such party shall use all due diligence and take all necessary measures in good faith to perform; provided, however, that if completion of performance shall be delayed at any time by reason of acts of God, war, civil commotion, riots, strikes, picketing, or other labor disputes, unavailability of labor or materials, or damage to work in progress by reason of fire or other casualty or similar causes beyond the reasonable control of a party (other than financial reasons), then the time for performance as herein specified shall be appropriately extended by the time of the delay actually caused by such circumstances. If (i) there should arise any permitted delay for which a party is entitled to delay its performance under this Agreement and (ii) such party anticipates that this

permitted delay will cause a delay in its performance under this Agreement, then such party agrees to provide written notice to the other parties of this Agreement of the nature and the anticipated length of such delay. None of the following shall constitute permitted delays under this Section 5.03: (a) failure to apply for or to diligently pursue regulatory approvals or permits; (b) the effects of normal weather conditions; or (c) the inability to obtain financing or lack of money, except where such inability is wholly or materially the result of failure or delay on the part of the City or the Commission.

5.04 Purchase of Bonds. So long as the Developer is the recipient of the Remaining Property, the Developer or an affiliate thereof shall be obligated to purchase the Bonds within fourteen (14) days of notice from the Commission indicating its intention to issue the Bonds.

5.05 Local Contractors, Suppliers and Vendors. The Developer agrees that it will use commercially reasonable efforts to employ price competitive contractors, suppliers and vendors located within Northwest Indiana, which shall include the Indiana counties of Porter, Lake, LaPorte, Starke, Jasper, and Newton with respect to the construction of the Project and will additionally use such efforts to purchase materials and supplies from price competitive suppliers and vendors located within Northwest Indiana, which shall include the Indiana counties of Porter, Lake, LaPorte, Starke, Jasper, and Newton.

5.06 Corporation as Guarantor. The Corporation hereby unconditionally guarantees the full and prompt performance of all obligations of the Developer under this Agreement. As guarantor of such Developer obligations, the Corporation shall be liable for such obligations notwithstanding any insolvency, reorganization, dissolution or termination of the Developer.

ARTICLE VI. AUTHORITY

6.01 Actions. The City and the Commission each represent and warrant that each has taken or will take (subject to the Developer's performance of its agreements and obligations hereunder) such action(s) as may be required and necessary to enable each of the respective parties to execute this Agreement and to carry out fully and perform the terms, covenants, duties and obligations on its part to be kept and performed as provided by the terms and provisions hereof.

6.02 Powers. The City and the Commission represent and warrant that each has full constitutional and lawful right, power and authority, under currently applicable law, to execute and deliver and perform their respective obligations under this Agreement, including, but not limited to, the right, power and authority, subject to the conditions described herein, to issue the BANs and Bonds and to cause the construction of the Public Improvements, and that, subject to the conditions described herein, all of the foregoing have been or will be duly and validly authorized and approved by all necessary proceedings, findings and actions. Accordingly, this Agreement constitutes the legal, valid and binding obligations respectively of the City and the Commission, enforceable in accordance with its terms and provisions, and does not require the consent of any other governmental authority, except as described herein and in Exhibit D attached hereto.

6.03 Authorized Parties. Whenever under the provisions of this Agreement and other related documents and instruments or any supplemental agreement, request, demand, approval, notice or consent of any of the City, the Commission, the Developer or the Corporation is required, or any of such parties is required to agree or to take some action at the request of another party, such approval or such consent or request shall be given (unless otherwise provided herein or prohibited by law) for the City by the Mayor of the City or his designee, for the Commission by the President of the Redevelopment Commission or his designee, for the Developer by any officer or agent of the Developer so authorized (in any event, the officers or agents executing this Agreement are so authorized), and for the Corporation by any officer or agent of the Corporation so authorized (in any event, the officers or agents executing this Agreement are so authorized); and any person shall be authorized to act on any such agreement, request, demand, approval, notice or consent or other action and none of the parties hereto shall have any complaint against the other as a result of any such action taken.

ARTICLE VII. PROJECT DEVELOPMENT

7.01 Final Plans. Within sixty (60) days of the Closing Date, the Developer shall prepare and provide to the Commission a set of preliminary plans, including the plans for any Public Improvements, the demolition plans and the plans for the redevelopment of the Remaining Property, so that the preliminary plans shall serve the blight-clearing goals of the Commission and are consistent with the terms and goals of this Agreement and the Offering Sheet. The Commission shall respond to the preliminary plans within twenty (20) days of its receipt of such preliminary plans. The Developer shall promptly review the Commission's comments, if any, and the parties shall work in good faith to arrive at mutually agreeable final plans and construction drawings consistent with such plans (the "Interim Plans"). If, notwithstanding such good faith efforts, the parties are unable to agree on Interim Plans within one hundred twenty (120) days from the Closing Date, the Developer shall, within ten (10) days after the expiration of the 120-day period, submit in good faith its final proposal to the Commission. The final proposal may contain requests for variances, rezoning, development as a planned unit development, special uses and special exceptions for the Project so long as the final proposal and such requests described therein comply with the terms and goals of this Agreement and the Offering Sheet, including the requirement that the Project be a commercial development open to the public (e.g., no residential or multifamily housing). The Commission shall, within twenty (20) days of receipt of the Developer's final proposal, either (i) terminate this Agreement; (ii) give the Developer notice that the final proposal is not submitted in good faith and is not consistent with the terms and goals of this Agreement and the Offering Sheet, in which case, the dispute resolution provisions of Section 7.04 shall be applicable; or (iii) accept the Developer's final proposal as the Interim Plans. If the Interim Plans require no other approvals from the City or its boards and commissions (collectively, the "Planning Approvals") and a building permit is issued, the Interim Plans shall be deemed the "Final Plans" for purposes of this Agreement. If the Interim Plans require other Planning Approvals, the Developer will file applications necessary for the Planning Approvals within thirty (30) days after the Commission accepts the Interim Plans and will diligently seek the Planning Approvals. At such time as the Developer obtains all Planning Approvals and a building permit is issued, the Interim Plans shall constitute the "Final Plans" for purposes of this Agreement. If the Developer, upon exercising proper due diligence in requesting or prosecuting any Planning Approval request, is unsuccessful in

obtaining the appropriate Planning Approvals within one hundred fifty (150) days after the Commission accepts the Interim Plans, the Developer may terminate this Agreement. Notwithstanding the preceding, should any such Planning Approvals require the permission/review/approval of an entity not directly associated with the City or Commission (e.g., Indiana Department of Transportation), any such delay caused by such entity shall not serve as the reason for terminating this Agreement. Upon their completion, the Final Plans shall be attached to this Agreement as Exhibit E and shall be incorporated by reference herein.

7.02 Termination. In addition to termination under Section 7.01, the Developer may terminate this Agreement if, subject to any statutory requirements imposed by Section 22 of the Act, the terms of the Offering Sheet for the Remaining Property are not acceptable to the Developer. The Offering Sheet will be deemed acceptable to the Developer if it: (i) contains terms consistent with this Agreement; and (2) does not include terms that inhibit construction of a commercial project on the Remaining Property with the minimum as-built development standards of Valparaiso Marketplace.

7.03 Remedy for Termination. If this Agreement is terminated pursuant to Section 7.01 or 7.02, the Commission agrees to purchase the Remaining Property from the Developer in an amount equal to the original purchase price, plus interest paid by the Developer with respect to the amount it borrowed to purchase the Remaining Property within ninety (90) days after such termination is authorized pursuant to the dispute resolution procedures of Section 7.05.

7.04 Condition Precedent to Termination. In addition to any recourse granted under the dispute resolution provisions of Section 7.04 and notwithstanding anything to the contrary, the Developer shall not be authorized to terminate this Agreement under Sections 7.01 or 7.02 until it provides the Commission with an opportunity to cure. The Developer must provide written notice ("Termination Notice") to the Commission of its intent to terminate this Agreement under Sections 7.01 or 7.02 and the specific reason(s) for such termination. The Commission shall have sixty (60) days to address all such specific reasons. If within the sixty (60) day period, the parties are able to resolve the specific reasons cited by the Developer, the Termination Notice shall be deemed withdrawn.

7.05 Dispute Resolution. Before a party desiring to terminate this Agreement may avail itself to the remedy described in Section 7.03, such party must, after complying with Section 7.04 above, adhere to the dispute resolution provisions set forth in this Section 7.05. Within five (5) days after written notice, and oral confirmation thereof, by such party to the other party of its demand for arbitration (which demand shall also set forth the name of its arbitrator), the other party shall select its arbitrator and so notify the demanding party; within five (5) days thereafter the two arbitrators so selected shall select a third arbitrator, and the decision of any two shall be binding upon the parties; in default of either party naming its arbitrator as aforesaid, the Superior Court of Porter County, Indiana, shall designate an arbitrator upon application of either party. Each party will pay its own arbitrator and one-half of the fees of the third arbitrator and of the other expenses of the arbitration. The American Arbitration Association rules for the Real Estate Industry shall be followed by the parties and panel.

7.06 Recapture Cost of Oversized Improvements. To the extent and where available, the City will cooperate with the Developer to obtain reimbursement for oversized improvements

and improvements that specifically benefit other land surrounding or near the Project not under the control of the Developer ("Recapture Improvements") and enter into appropriate recapture agreement as provided under, but not limited to, Indiana Code 36-9-22-2, or other replacement or similar provision.

7.07 Application, Processing and Inspection Fees. Application fees, processing fees, and inspection fees (but not impact fees) that are revised during the term of this Agreement shall apply to the Project pursuant to this Agreement provided that (a) such revised fees apply generally to commercial private projects or works within City, (b) the application of such fees to development of the Project is prospective only, unless otherwise agreed to, and (c) the application to development of the Project would not require an amendment of any of the exhibits incorporated herein.

7.08 No New Development or Impact Fees. Except as expressly provided in this Article, the Developer shall have no obligation to participate in, pay, contribute, or otherwise provide as a condition or exaction of any subsequent approval by City, any new development or impact fee or similarly applied fees, however described or defined, imposed on the Project by the City after the Effective Date, unless the Developer receives a reduction, refund or credit of the entire amount paid for such fees.

7.09 Obligation and Rights of Mortgage Lenders. The holder of any mortgage or other security arrangement with respect to the Project, or any portion thereof (the "Holder"), shall not be obligated under this Agreement to construct or complete improvements or to guarantee such construction for completion, but shall otherwise be bound by all of the terms and conditions of this Agreement which pertain to the Project or such portion thereof in which the Holder holds an interest. In the event that the Holder elects not to complete the Project, such election shall be made within thirty (30) days of the Holder gaining possession thereof, the Commission shall have the option to repurchase the Project or such portion thereof from the Holder at a purchase price equal to its fair market value. Any such Holder who comes into possession of the Project, or any portion thereof, pursuant to a foreclosure of a mortgage or deed in lieu of such foreclosure shall take the Project, or such portion thereof, subject to any pro rata claims for payments or charges against the Project, or such portion thereof, which accrue prior and subsequent to the time such holder comes into possession. Nothing in this Agreement shall be deemed or construed to permit or authorize any such Holder to devote the Project, or any portion thereof, to any uses or to construct any improvements thereon, other than those uses and improvements provided for or authorized by this Agreement, subject to all of the terms and conditions of this Agreement.

ARTICLE VIII. GENERAL PROVISIONS

8.01 Indemnity; No Joint Venture or Partnership. The Developer covenants and agrees at its expense to pay and to indemnify and save the City and the Commission, and their officers and agents (the "Indemnitees") harmless of, from and against, any and all claims, damages, demands, expenses and liabilities relating to bodily injury or property damage resulting directly or indirectly from the Developer's (and/or any affiliate's thereof) development activities with respect to the Project unless such claims, damages, demands, expenses or liabilities arise by

reason of the negligent act or omission of the City, the Commission or other Indemnitees or arise from the City's or Commission's breach of this Agreement. Additionally, the City and Commission covenant and agree at their expense to pay and to indemnify and save the Developer, and its officers and agents (the "Developer Indemnitees") harmless of, from and against, any and all claims, damages, demands, expenses and liabilities relating to bodily injury or property damage resulting directly or indirectly from the City and Commission's development activities with respect to the Project unless such claims, damages, demands, expenses or liabilities arise by reason of the negligent act or omission of the Developer or other Developer Indemnitees or arise from the Developer's breach of this Agreement, or its failure to complete the Project in accordance with the Site Plan and the Final Plans. However, nothing contained in this Agreement shall be construed as creating either a joint venture or partnership relationship between the City and the Developer, the Corporation or any affiliate thereof, or the Commission and the Developer, the Corporation or any affiliate thereof.

8.02 Time is of the Essence. Time is of the essence for this Agreement. The parties shall make every reasonable effort to expedite the subject matters hereof (subject to any time limitations described herein) and acknowledge that the successful performance of this Agreement requires their continued cooperation.

8.03 Breach. Before any failure of any party of this Agreement to perform its obligations under this Agreement shall be deemed to be a breach of this Agreement, the party claiming such failure shall notify, in writing, the party alleged to have failed to perform such obligation and shall demand performance. No breach of this Agreement may be found to have occurred if performance has commenced to the reasonable satisfaction of the complaining party within thirty (30) days of the receipt of such notice. If after said notice, the breaching party fails to cure the breach, the non-breaching party may seek any remedy available at law or equity, including the remedy of specific performance.

8.04 Authorization. The City hereby authorizes the Commission to act on behalf of the City with respect to approvals and actions required after the execution of this Agreement. Notwithstanding any other provision of this Agreement to the contrary, any provision of the Agreement requiring such approval or action of the City, including, but not limited to, amendments to the Agreement provided under Section 8.06 hereof and assignments of the rights and obligations contained in this Agreement provided under Section 8.14 hereof, shall be deemed to be satisfied by approval or action of the Commission.

8.05 Minor Modification. Minor modifications of the approved exhibits attached hereto may be approved by either the Executive Director or President of the Commission and shall not require an amendment to this Agreement.

8.06 Amendment. This Agreement, and any exhibits attached hereto, may be amended only by the mutual consent of the parties, by the adoption of a resolution of the Commission approving said amendment, as provided by law, and by the execution of said amendment by the parties or their successors in interest.

8.07 No Other Agreement. Except as otherwise expressly provided herein, this Agreement supersedes all prior agreements, negotiations and discussions relative to the subject matter hereof and is a full integration of the agreement of the parties.

8.08 Severability. If any provision, covenant, agreement or portion of this Agreement or its application to any person, entity or property, is held invalid, such invalidity shall not affect the application or validity of any other provisions, covenants, agreements or portions of this Agreement and, to that end, any provisions, covenants, agreements or portions of this Agreement are declared to be severable.

8.09 Indiana Law. This Agreement shall be construed in accordance with the laws of the State of Indiana.

8.10 Notices. All notices and requests required pursuant to this Agreement shall be deemed sufficiently made if delivered, as follows:

To the Developer:

Vale Park Development, LLC
2503 Calumet Avenue
P.O. Box 2200
Valparaiso, IN 46383
Attention: Robert R. Urschel

To the Corporation:

Urschel Development Corporation
2503 Calumet Avenue
P.O. Box 2200
Valparaiso, IN 46383
Attention: Robert R. Urschel

With copies to:

Burke Costanza & Cuppy LLP
57 Franklin, Suite 203
Valparaiso, IN 46383
Attention: Todd A. Etzler, Esq.

To the Commission:

City of Valparaiso Redevelopment Commission
Valparaiso City Hall
166 West Lincolnway
Valparaiso, Indiana 46383
Attention: President

To the City:

City of Valparaiso
Valparaiso City Hall
166 West Lincolnway
Valparaiso, Indiana 46383
Attention: Mayor

With copies to:

Blachly, Tabor, Bozik, & Hartman, LLC
56 South Washington St.
Valparaiso, IN 46383
Attention: Patrick Lyp, Esq.

or at such other addresses as the parties may indicate in writing to the other either by personal delivery, courier, or by registered mail, return receipt requested, with proof of delivery thereof. Mailed notices shall be deemed effective on the third day after mailing; all other notices shall be effective when delivered.

8.11 Counterparts. This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same agreement.

8.12 Recordation of Agreement. At the request of any party hereto, the parties hereby agree to execute and deliver the original of this Agreement or a Memorandum thereof in proper form for recording in the appropriate property or governmental records.

8.13 Consent or Approval. Except as otherwise provided herein, whenever consent or approval of any party is required, such consent or approval shall not be unreasonably withheld.

8.14 Assignment. The rights and obligations contained in this Agreement may not be assigned by the Developer, the Corporation or any affiliates thereof without the express prior written consent of the Commission; provided, however, that the Developer may assign its rights and obligations hereunder to an affiliate of the Developer upon notice to but without the consent of the Commission, but any such assignment to an affiliate of the Developer shall not have the effect of releasing the Developer from its obligations hereunder.

8.15 No Third Party Beneficiaries. This Agreement shall be deemed to be for the benefit solely of the parties hereto and shall not be deemed to be for the benefit of any third party.

8.16 Offer. The signatures of the Developer's and Corporation's respective representatives on this Agreement shall constitute a legal offer to enter into this Agreement. The parties acknowledge that the approval of this Agreement by City and Commission will require administrative approvals; therefore, the Developer and the Corporation unconditionally agree not to revoke, withdraw, amend or otherwise modify such offer signified by their execution of this Agreement for thirty (30) days following the date of execution thereby.

* * * * *

IN WITNESS WHEREOF, the parties have duly executed this Agreement pursuant to all requisite authorizations as of the date first above written.

CITY OF VALPARAISO, INDIANA

By: _____
Jon Costas, Mayor

ATTEST:

Sharon Swihart, Clerk-Treasurer

CITY OF VALPARAISO
REDEVELOPMENT COMMISSION

By: _____
J. Michael Baird, President

ATTEST:

George Douglas, Secretary

VALE PARK DEVELOPMENT, LLC

By: Urschel Development Corporation, an Indiana corporation, its Manager

By: _____
Robert R. Urschel, President

URSCHEL DEVELOPMENT CORPORATION

By: _____
Robert R. Urschel, President

EXHIBIT A

MAP OF NORTH CENTRAL REDEVELOPMENT AREA

EXHIBIT B

COUNTY SEAT PROPERTY

<u>Duplicate (Key) Number for Parcel</u>	<u>Description</u>	<u>Property Address</u>
01-000002900	Burger King	2921 N. Calumet
01-000002901	Dairy Queen	3029 Calumet
01-000002902	Pesto's Restaurant	3032 Calumet
01-000002903	County Seat Strip Center	2901-3027 Calumet
01-000002904	UPS Store	2843 Calumet
01-000002905	Village Theatre - County Seat 6	2849 Calumet

EXHIBIT C

PRELIMINARY SITE PLAN

EXHIBIT D

REQUIRED GOVERNMENTAL CONSENTS

All procedures and approvals relating to any of the following:

- (a) Various procedures and approvals relating to the acquisition of property by the Commission;
- (b) Various procedures and approvals relating to the issuance of the BANs and Bonds; and
- (c) Various procedures and approvals relating to the disposition of property by the Commission.

EXHIBIT E

FINAL PLANS