

CONSULTANT AGREEMENT

THIS CONSULTANT AGREEMENT (this "Agreement") is made as of this written date by and between HVS Convention, Sports and Entertainment Facilities Consulting (the "Consultant") and the Village of Schaumburg, Illinois (the "Village"). The Consultant and the Village, hereinafter sometimes are referred to, individually, as a "Party" and collectively, as "Parties").

In consideration of the following premises and the mutual consents and undertakings herein, each Party agrees as follows:

1. Appointment

Subject to the terms and conditions of this Agreement, the Village hereby engages the Consultant and the Consultant hereby agrees to perform on behalf of the Village the services described in Appendix A entitled "Scope of Services," which is attached hereto and made part of this Agreement. The term of this engagement shall be for a defined period, which also shall be set forth in Appendix A.

2. Compensation

In consideration of the performance by the Consultant or the Consultant's duties and obligations under this Agreement and subject to the terms and conditions set forth in this Agreement, the Village agrees to compensate the Consultant as provided in Appendix B, with is attached hereto and made a part of this Agreement.

3. Termination

(a) The Village may, by written notice to the Consultant terminate this Agreement at any time, either for the Village's convenience or because of the failure of the Consultant to fulfill its obligations hereunto. Upon receipt of such notice, Consultant shall,

(i) Immediately discontinue all services affected unless, the notice directs otherwise, and

(ii) Upon written request of the Village, deliver to the Village, at no charge to the Village, all data, reports, drawings, estimates, summaries, and such other information and materials as may have been accumulated by the Consultant in performing its obligations under this Agreement, whether completed or in process. If the termination is for the convenience of the Village, the Consultant shall be paid compensation for services performed to the date of termination.

(b) If the termination is due to the failure of the Consultant to fulfill its obligation under this Agreement, the Village may take over the work and prosecute the same to completion. The Consultant shall not be liable for any additional costs occasioned by the

failure of the Consultant to fulfill its obligations, if failure to perform arises out of causes its reasonable control. Such causes may include, but are not limited to, acts of nature or of the public enemy, acts of the Village in either its sovereign or contractual capacity, fire, floods, epidemics, quarantine restrictions, strikes, unusually severe weather, but, in every case, the failure to perform must be beyond the reasonable control of the Consultant.

(c) If, after notice of termination for failure to fulfill its obligations, it is determined that Consultant had not so failed, the termination shall be deemed to have been effected for the convenience of the Village.

4. Quality Assurance

(a) The findings and recommendations of the Consultant's research will reflect analyses of primary and secondary sources of information. Estimates and analyses presented in the Consultant's report will be based on economic trends, market assumptions, and financial data that are subject to variation. The Consultant will use sources that the Consultant deems reliable, but will not guarantee their accuracy. Recommendations will be made from information developed by the consulting team, provided by analyses, internal databases, and from information provided by the Village.

(b) The Consultant will have no responsibility to update its report unless requested by the Village for events and circumstances occurring after the date of its report. If substantial events transpire after issuance of the report, consultant will be paid reasonable costs to prepare such updates.

(c) The consultant shall carry the following insurance coverage:

- Commercial General Liability with a combined limit of not less than \$1,000,000 per occurrence.
- Automobile Liability Insurance with a combined limit of not less than \$1,000 000 per occurrence
- Statutory Workers' Compensation and Employers' Liability Insurance with the Alternate Employer Endorsement WC 000301.
- Other insurance as required by Village.

5. Applicable Law

This agreement shall be governed by the laws of the Illinois.

6. Indemnification

The Consultant shall indemnify and hold the Village and their respective officers, servants, employees, and agents harmless of any loss, cost, damage or injury of any of the Consultant's employees or agents or to third persons, arising directly or indirectly out of,

or in the course of, performance of the services under this Agreement unless caused by the willful misconduct or gross negligence of the Village.

7. Notices

Any and all notices required in connection with this Agreement shall be deemed adequately given only in writing and (a) personally delivered, or sent by first class, registered or certified mail, postage prepaid, return receipt requested, or by recognized overnight courier, (b) sent by facsimile, provided a hard copy is mailed on that date to the party for whom such notices are intended, or sent by other means at least as fast and reliable as first class mail. A written notice shall be deemed to have been given to the recipient party on the earlier of (a) the date it shall be delivered to the address required by this Agreement; or (b) the date deliver shall have been refused at the address required by this Agreement; (c) with respect to notices sent by mail or overnight courier, the date as of which the Postal Service or overnight courier, as the case may be, shall have indicated such notice to be undeliverable at the address required by this Agreement; or (d) with respect to a facsimile, the date on which the facsimile is sent and receipt of which is confirmed. Any and all notices referred to in this Agreement, or which either party desires to give to the other, shall be addressed as follows:

To the Consultant: Thomas Hazinski
HVS Convention, Sports &
Entertainment Facilities Consulting
445 West Erie, Suite 1-A
Chicago, Illinois 60610
Telephone: 312-587-9900
Fax: 312-587-9908

For the Village : Brian A. Townsend
Assistant Village Manager
Village of Schaumburg, Illinois
Municipal Center
101 Schaumburg Court
Schaumburg, IL 60193-1899
Telephone: 847-895-4500
Fax: 847-895-7806

8. Construction

(a) This Agreement shall be the entire, full and complete agreement between the Parties concerning the subject matter hereof and shall supersede all prior agreements. There are no valid or binding representations, inducements, promises or agreements, oral or other wise, between the Parties that are not embodied herein. No amendment, change, or variance of or from this Agreement shall be binding on either Party unless agreed to in writing signed by both of the Parties.

(b) The headings appearing at the beginning of each paragraph of this Agreement are for convenience only and do not define, limit or construe the contents of any such paragraph. Whether expressly indicated or not, the singular usage includes the plural, and the neuter usage includes the masculine or the feminine or both the masculine and the feminine. This Agreement may be executed in counterparts, each of which so executed shall be deemed to be an original and such counterparts together shall constitute one and the same agreement.

9. Waiver

The Village and the Consultant only in writing may waive an obligation of or restriction upon the other under this Agreement. No failure, refusal, neglect, delay, forbearance or omission of the Village or the Consultant to exercise any right or remedy under this Agreement or to insist upon full compliance by the other with his, her or its obligation hereunder shall constitute a waiver of any provisions(s) of the Agreement.

10. Severability

Each provision of this Agreement or part thereof shall be severable. If, for any reason, any provision or part thereof in this Agreement is finally determined to be invalid and contrary to, or in conflict with, any existing or future law or regulation, such determination shall not impair the operation or affect the remaining provisions of this Agreement, and such remaining provisions will continue to be given full force and effect and bind each Party. Each invalid provision or part thereof shall be deemed not to be a part of this Agreement.

11. Assignability

The Consultant may not assign its rights or obligations hereunto without the prior consent of the Village, which consent may be withheld in the Village sole and absolute discretion.

Accepted by:

HVS Convention, Sports & Entertainment Facilities Consulting (the "Consultant")

By: Thomas Haynski

Its Managing Director

Date: August 25, 2003

The Village of Schaumburg, Illinois (the "Village")

By: Ken Jutz

Its Village Manager

Date: August 19, 2003

Appendix A

Scope of Services

The objective of this assignment is to perform a feasibility analysis for the purpose of providing an independent financial feasibility report regarding the construction and operation of a new convention center and a convention headquarters hotel in Schaumburg, Illinois. The Village has not yet decided whether the performing arts theater will be built, therefore it will play a minimal role in our proposed scope of services.

We understand the Village is anticipating funding the convention center with General Obligation Bonds. The hotel would be financed in two phases. First, short term variable-rate debt backed by the Village would provide construction funding. After completion of the project, this construction funding would be replaced with a permanent financing using the issuance of municipal bonds. Consequently, our initial feasibility studies would most likely need to be updated at the time of permanent financing.

Municipal funding of the convention center portion of the project using General Obligation Bonds is fairly straightforward and would not ordinarily require a project feasibility study. However, the performance of the convention center is vital to the performance of the hotel as it is anticipated to induce a significant number of room nights in the market. For this reason, an understanding of future room night generation by the convention center must be established to support the hotel financing.

HVS proposes to conduct a two-part feasibility analysis, separately analyzing the feasibility of the proposed convention center and the hotel. HVS has assembled a team that has specific expertise in each facility type. Two separate feasibility study reports will be provided, however, the overlapping research required for both reports will not be duplicated.

Our approach to the scope of services is organized in two sub-sections: 1) Convention Center Feasibility, and 2) Hotel Feasibility. Common to both studies are our data gathering efforts, market area overview, and estimates of room night demand induced by the convention center.

Data Gathering and Fieldwork

HVS will meet with you and/or your representatives to discuss our study in more detail and to formulate a schedule for performing the fieldwork. HVS will perform the following tasks:

1. We will gather any information from you, which may assist us in performing this assignment. Any introductions to local hotel operators, governmental officials and business leaders would increase the effectiveness of our research and expedite the performance of our fieldwork.
2. An on-site inspection of the proposed development site will be made.

3. The physical orientation of the subject site with respect to access and visibility to highways, other forms of transportation and the local demand for accommodations will be analyzed. We will also review the supportive nature of surrounding land uses as they relate to the hotel and convention center.
4. The demand for transient accommodations will be investigated to identify the various generators of visitation operating within the local market. The current and anticipated potential of each of these market segments will be evaluated to determine the extent of existing and future demand. Interviews with officials of business and government, as well as statistical data collected during the fieldwork, are useful in locating and quantifying transient demand. In conjunction with the identification of potential demand, an investigation will be made of the respective strengths of these markets in terms of seasonality, weekly demand fluctuations, vulnerability to economic trends and changes in travel patterns and other related factors. Similar market research procedures are utilized in estimating the demand for conference, food, beverage, banquet and other facilities.
5. The market orientation of nearby lodging facilities will be evaluated to determine their competitive position with respect to the subject property and their ability to support a convention center. Those properties displaying similar market attributes will receive a physical inspection, along with selective management interviews, to estimate levels of occupancy, room rates, market segmentation and other pertinent operational characteristics. Some of the competitive factors that will be specifically reviewed include: location, type and quality of facilities, physical condition, management expertise, and chain affiliation.
6. Statistical data relating to general economic and demographic trends often foreshadows future potential for market areas and neighborhoods. Interviews with local Chambers of Commerce, economic development agencies and other related organizations, along with an investigation of the subject's primary market area will reveal patterns reflecting growth, stability or decline.
7. Expense factors relating to local conditions such as labor, food and beverage costs, energy rates, assessed values and taxes will be researched. In most instances, we will attempt to utilize actual expense experience from comparable properties in the feasibility portion of our study.
8. Through interviews with hotel operators, developers, governmental officials and others, we will ascertain the status of projects under construction, proposed or rumored which might be competitive with the subject property.
9. Depending on the nature of the assignment and the individual characteristics of the subject's market, our fieldwork may also include:
 - Interviews with zoning and building officials;
 - Meetings with local planners, highway officials and property assessors;
 - Discussions with real estate counselors, mortgage brokers, bankers, architects, builders and developers; and

10. HVS will investigate the availability of lodging facilities to support the proposed convention center.

Market Area Overview

The market-area analysis involves a series of analytical tasks designed to measure the market potential of a convention center facility and hotel in Schaumburg.

HVS will analyze the local market area to measure its capacity to attract and support events. Primary points of emphasis in this overview will include:

- Trends in population and income,
- Population projections,
- Employment trends,
- Hotel supply (including number of rooms by type and meeting space),
- Transportation infrastructure,
- Corporate presence,
- Colleges and universities,
- Arts, culture, and entertainment, and
- Proposed development initiatives.

Phase 1: CONVENTION CENTER FEASIBILITY

Our market research will analyze the relationship between the economics and demographics of a community and the potential for convention center and hotel development. Our extensive databases on comparable facilities and communities will allow us to perform comparative analysis of similar developments in a cost-effective manner. We will also employ interview techniques targeted to potential users to understand the market demand for a proposed development. Specifically, a forecast of revenue and expenses will be generated for the convention center component of the subject property. This study will also estimate the number of annual hotel room night stays that will be generated by the convention center facility.

Phase 1-A: Market Study

HVS would conduct a detailed market analysis that will culminate in a projection of event demand and provide an understanding of the appropriate market niche for the convention center. We will incorporate our findings from the data gathering and fieldwork, as well as include the market overview. The market analysis will provide a basis for determining and identifying the correct approach to development of the convention center.

Phase 1-B: Comparable and Competitive Facility Analysis

HVS will compile data on convention facilities of comparable size and in markets similar to the subject property. We will also analyze the number, size and quality of potentially competitive convention facilities. Facility attributes to be compared include:

- Convention center size, flexibility and overall quality,

- Number of existing and proposed city-wide hotel rooms,
- Air service levels,
- Comparative demographic characteristics,
- Unique destination appeal characteristics,
- Levels of event demand by event type,
- Marketing resources, and
- Other factors that may determine the level of demand.

Phase I-C: Industry Trends Analysis

An industry trends analysis will include information on both national, regional, and state markets and cover relevant indices and topics including:

- Historical growth in the supply of, and demand for, exhibition and meeting space,
- Planned additions to the supply of meeting facilities,
- Projected growth in the demand for meeting facilities, and
- National, regional and state market trends.

Phase 1-D: Key Informant Interviews

To the extent that HVS can verify the survey data provided in the Strategic Advisory Services report, HVS will rely on those results. In addition, HVS will interview key informants in person, via email, or over the phone to better assess the level of interest in using the proposed facilities. The first interview group includes local hotels, hospitality businesses, and associations. HVS will conduct interviews with Convention and Visitors Bureau representatives, business leaders, government officials, and representatives of local development agencies to identify the requirements of, and expectations for, a convention center. We will also interview managers of area hotels that currently attract meeting and group demand to obtain their views on the ability of the local market to attract convention center events. A second interview group consists of potential convention center users such as meeting planners and event promoters. The information obtained in these interviews will enable HVS to gauge the level of meeting planner interest in the market area and the facility.

The interviews cover a variety of issues that aid HVS in measuring the demand potential for convention center events:

Event Characteristics

- Type of event
- Geographic scope
- Types of spaces required
- Types of services required
- Attendance and room nights
- Anticipated changes in event size
- Past event locations

Interest / Impressions of the Market

- Overall level of interest in utilizing the facility

- Relative attractiveness of peer and competing markets
- Market attractiveness in respect to key site selection criteria

Phase I-E: Review of Building Program Plan

HVS will assess the proposed facility program recommendation, the functionality and flexibility of which are important elements in the ultimate market success of a convention center. The evaluation of the recommended facility program will include an analysis of the required floor area and adjacency for each of the following elements:

- Gross floor area (square footage) of the entire facility,
- Square feet of exhibit space,
- Quantity and location of prefunction/lobby space,
- Number, size and location of breakout/meeting rooms,
- Auditorium/theatre/fixed seating space,
- Kitchen/banquet facilities,
- Specific support spaces,
- Master plan for facility expansion,
- Quantity and location of ingress/egress areas and loading docks,
- Parking areas,
- Technology requirements and upgrades,
- Business services and amenities, and
- Others as appropriate.

The facility assessment will also include a functional review of the divisibility of the exhibition and meeting room spaces, as well as a proximity review. The recommendation will consider the use of multi-purpose space (e.g., combined exhibition and ballroom space), as appropriate. HVS will determine whether the recommended facility program is achievable on the proposed site and whether the design plan is appropriate to the serve the projected demand for the facility. HVS will not recommend design changes to the proposed facility program.

Phase I-F: Demand Projections

Based on the market research, comparable facilities analysis, interview data and the building plan review, HVS will quantify the event demand for the convention facility. Demand projections will include the number of events, number of event days, number of attendees, and the amount of exhibit and meeting space utilized for the first 10 years of operation for the following types of events:

- | | |
|-------------------|------------------------------|
| ▪ Conventions | ▪ Concerts and Entertainment |
| ▪ Tradeshows | ▪ Conferences |
| ▪ Consumer shows | ▪ Banquets |
| ▪ Sporting Events | ▪ Meetings |

The demand projection will consider the likely levels of initial demand for the convention center and the number of years it will take the improved event package in Schaumburg to reach a stabilized point of demand. (Expanded convention facilities and those with new supporting hotels reach a stabilized point of demand when booking to groups prior to the completion of the project(s) no longer hinders them and the project has been complete for a sufficient time to establish recognition in the event planner community.)

Phase I-G: Analysis of Convention Center Financial Operations

HVS will project operating revenues and expenses of the convention center for a ten-year period. This analysis will utilize a sophisticated computerized model of convention center financial operations developed by HVS Convention, Sports & Entertainment Facilities Consulting. This software identifies the key variables that determine the income and expense of a convention facility.

The demand profile and data from comparable facilities serve as the primary inputs into the financial model. This model separates the fixed and variable components of revenue and expenses. Variable components of expenses will be estimated based on the level of anticipate convention center revenue. The fixed expenses are projected based on data from comparable facility operations. The description of financial projections will include a detailed line-by-line account of all revenue sources and expenses.

HVS enters the estimated number of events and average attendance by type of event into the operating model. This model produces estimates of revenue and expense annually over the projection period. The description of financial projections will include a detailed line-by-line account of all revenue sources and expenses.

Phase II: HOTEL FEASIBILITY ANALYSIS

HVS will perform a market study and feasibility analysis for the purpose of evaluating the market demand, analyzing the economics, developing the parameters for an optimal lodging facility, projecting income and expense and evaluating the feasibility of the proposed hotel sites. We have recently performed hotel feasibility analyses in Naperville, Chicago, and Schaumburg, and our familiarity with the marketplace will be valuable in our research for this project. Our financial reports will be produced in accordance with the Uniform System of Accounts for Lodging Facilities.

Phase II-A: Hotel Supply and Demand Analysis

Based on the data and information gathered during the fieldwork phase, along with our extensive library of actual hotel operating statements, financial statistics, area hotel trends and investor requirements, we will first perform a supply and demand market analysis for the subject property to determine its market orientation and competitive position with respect to other lodging facilities. The supply and demand analysis typically encompasses the following eight steps:

1. Using the occupancy levels and market segmentations of the competitive properties, the number of room nights actually accommodated in each segment is calculated by multiplying each property's room count by its occupancy, market segmentation and 365 days. This yields the accommodated room night demand. The annual number of room nights occupied per room in each segment is also calculated (room nights occupied per year divided by the room count), and the resulting figure serves as a competitive index.
2. Latent demand (which consists of unaccommodated and induced demand) is estimated for each market segment.
3. Growth rates are projected for each of the market segments.
4. The total usable room night demand (which consists of usable latent demand and accommodated demand) is projected.
5. The area's guestroom supply and total room nights available are quantified for each projection year.
6. The overall competitive occupancy is calculated for each projection year.
7. Using competitive indexes, the relative competitiveness of each of the area hotels is evaluated.
8. The subject property's market share, number of room nights captured, and occupancy levels are quantified based on its perceived competitiveness relative to the other lodging facilities in the market.

This analysis will result in a quantification and documentation of probable future trends in the subject's occupancy, average rate and overall rooms revenues. When appropriate, a similar procedure will be utilized in projecting food, beverage and other revenues. Based on this information, we will determine whether there is sufficient market demand to support the proposed facility and, if requested, we will develop a recommendation as to the chain affiliation, optimum number of guestrooms, size and type of restaurants, and other necessary amenities and facilities.

Phase II-B: Hotel Financial Projections and Feasibility Analysis

Using actual operating data from comparable lodging facilities, we will develop expense estimates corresponding to the level of activity and quality of operations indicated by the projected occupancy and average rate.

A projection of income and expenses representing future expectations of income potential will be made for a ten-year period. This analysis will utilize HVS Software, a sophisticated computerized financial analysis package, developed by Stephen Rushmore and Suzanne Mellen. The logic behind the projection of income and expense is based on the premise that hotel revenue and expenses have one component that is fixed and another that varies directly with occupancy and facility usage. The software takes a known level of revenue or expense and calculates the fixed and variable component. The fixed component is then held constant while the variable component is adjusted for the percent change between the projected occupancy and facility usage that produced the

known level of revenue or expense. Our projected income statements conform with the Uniform System of Accounts for Hotels and include a detailed line-by-line account of all revenue sources and expenses.

Following the recommended procedures and industry standards set forth in the textbook Hotels and Motels: A Guide to Market Analysis, Investment Analysis, and Valuations that we authored for The Appraisal Institute, a feasibility analysis will be performed to determine whether the proposed hotel has economic justification. Factors that we will consider in this analysis include: cost of debt and equity financing, return on investment criteria, preliminary development costs and economic value upon opening.

Phase III: FF&E Reserve Requirements

A furnishings, fixtures and equipment (FF&E) reserve and capital replacement plan will be made for the ten year period. HVS International has two primary means of evaluating FF&E needs for a hotel. The first is to examine and project the income potential of the property to determine a reasonable level of reserves, which the property can support over an extended period and still provide an adequate cash flows to support the debt service requirements. Secondly, with the assistance of HVS/Compass (the interior design division of HVS) and through our strategic alliance partner, Benjamin West, we are able to recommend and detail the type, quality and cost of FF&E required for the Hotel and Convention Center. This project has two entirely separate budgets for the Hotel and the Convention Center. The capital replacement plan would indicate the timing and amount of anticipated capital improvements and consider capital reserve fund earnings in projecting the funding levels necessary to meet future capital needs.

Written Reports: Market Study and Feasibility Analysis Reports for the Hotel and Convention Center

The Market Study and Feasibility Analysis Reports will contain complete documentation of our fieldwork, analysis, recommendations and conclusions. The reports will include:

- Description of the site and analysis of its physical attributes such as size, topography, access and visibility.
- Evaluation of recommended physical improvements and amenities from the point of view of layout, work flow and functionality.
- An economic and demographic review of the property's market area and immediate neighborhood. Important demand generators will be identified and economic trends evaluated for the purpose of developing a projection of their immediate and long-term impact on local hotel and convention center demand.
- The overall market for transient accommodations will be divided into individual market segments. These segments form the basis for quantifying existing room night demand and projecting future changes.

- The competitive environment will be examined. Those properties comprising the subject's competition will be evaluated and their relative competitiveness quantified. The report will specifically set forth an estimate of each competitor's occupancy, average rate, RevPar, market segmentation and relative competitiveness by individual market segment.
- The projection of occupancy and average rate will be set forth through a highly detailed room night analysis. All assumptions and parameters utilized in this procedure will be explained and supported by market data.
- The ten-year projection of income and expense will contain a thorough description of each line item in financial statements supported by actual data from comparable properties. Separate financial statements will be provided for the hotel and the convention center.
- The feasibility conclusion will be documented from several points of view including return on investment, cost versus value and market acceptance. Components of the feasibility analysis such as cost of capital, relative risk, holding period and leverage will be discussed and supported by market data.
- If an MAI appraisal is incorporated into the report, it will contain a detailed explanation of the entire valuation procedure with market support for all assumptions.

When appropriate, we will include graphics such as photographs, maps, surveys, plans and charts to assist in visualizing our findings. The final reports will be individually laser printed utilizing a state-of-the-art desktop publishing system. We will also provide a PDF version of the final report.

The study described in this proposal will be made subject to certain assumptions and limiting conditions. A copy of our standard assumptions and limiting conditions will be provided upon request.

Additional Services

Members of the HVS team will be available to meet with members of the development group, investment bankers, rating agencies, credit analysts, potential investors, and any other appropriate parties, for the purposes of presenting the results of our study. HVS will also be available to update our study at the time of permanent financing. These services are not included in our proposed fees.

Personalized Support

It is our operating practice to regularly communicate with our clients to update them on our status and findings. We pledge to be available via telephone throughout the duration of the project to discuss with you any issues or ideas that may arise. Upon submission of our study, members of HVS will be available to meet with you and/or any third party to

review our analysis and conclusions. This personalized support enhances the credibility of our findings and assists you in achieving your objectives.

Appendix B Professional Fees

Our professional fees for this project are \$54,000.

Professional Fee Breakdown

Phase I	
Convention Center Feasibility Analysis	\$29,000
Phase II	
Hotel Feasibility Analysis	22,000
Phase III	
FF&E Reserve Estimates	<u>3,000</u>
Total Fees	<u>\$54,000</u>

The above fee structure includes initial fieldwork meetings and a final meeting to present the project findings. We will charge a per diem of \$2,250 per day for the managing director and \$2,000 per day for additional staff, plus travel expenses, for any additional meetings.

Our hourly professional fees are as follows:

HVS Hourly Rates

Position	Hourly Rat
Managing Director - Tom Hazinski	\$275
Senior Vice President - Paul Sajovec	\$225
Vice President - Bethany Cronk	\$200
Senior Manager - Hans Detlefsen	\$175
Staff	\$90

In addition to our professional fees, you agree to reimburse us for reasonable out-of-pocket travel, report production, and related expenses (such as out-research services including Smith Travel Research and FW Dodge) incurred on your behalf. Expenses will

be billed at cost. You will be billed periodically for expenses, which will be due and payable upon presentation of our bills.

Payment must be made in U.S. dollars, using either a check drawn on a U.S. bank or a wire transfer of funds to the account of HVS International.

In the event that after completing the fieldwork phase of this assignment it becomes necessary to alter the parameters of the study, such as the property description, opening date, location, or any other factor which could change the final conclusions, the HVS will be entitled to charge an additional fee based on our current per diem rates and the time required to incorporate the necessary changes into our analysis and report. In addition, the estimate of timing will be extended by an amount equal to the added work.

It is agreed that the liability of HVS, its employees, and anyone else associated with this assignment is limited to the amount of the fee paid as liquidated damages. You acknowledge that any opinions, recommendations, and conclusions expressed during this assignment will be rendered by the staff of HVS acting solely as employees and not as individuals. Any responsibility of HVS is limited to the client, and use of our product by third parties shall be solely at the risk of the client and/or third parties.

Appendix C
Certificate of Insurance

ACORD CERTIFICATE OF LIABILITY INSURANCE

OP ID GI
NORT-39

DATE (MM/DD/YYYY)
07/03/03

PRODUCER
Associated Agencies, Inc.
1701 Golf Rd, Tower 3, 7th Flr
Rolling Meadows IL 60008-4267
Phone: 847-427-8400 Fax: 847-427-3430

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED
**North Star Research dba
HVS Convention, Sports &
Entertainment Facilities
Consulting
445 W. Erie Ste. 1A
Chicago IL 60610**

INSURERS AFFORDING COVERAGE	NAIC #
INSURER A: The Hartford	
INSURER B: Houston Casualty	
INSURER C:	
INSURER D:	
INSURER E:	

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR ADD'L TR INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR	83SBANI3181	05/18/03	05/18/04	EACH OCCURRENCE \$ 1,000,000
	DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 300,000				
B	<input checked="" type="checkbox"/> Professional Liab GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC	H70310199	01/08/03	01/08/04	MED EXP (Any one person) \$ 10,000
	PERSONAL & ADV INJURY \$ 1,000,000				
A	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS	83SBANI3181	05/18/03	05/18/04	GENERAL AGGREGATE \$ 2,000,000
					PRODUCTS - COMP/OP AGG \$ 2,000,000
A	GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				Prof Liab \$ 1,000,000
					COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000
A	EXCESS/UMBRELLA LIABILITY <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE DEDUCTIBLE <input checked="" type="checkbox"/> RETENTION \$ 10,000	83SBANI3181	05/18/03	05/18/04	BODILY INJURY (Per person) \$
					AGGREGATE \$ 1,000,000
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below OTHER	83WECGK4071	05/18/03	05/18/04	BODILY INJURY (Per accident) \$
					PROPERTY DAMAGE (Per accident) \$
A					AUTO ONLY - EA ACCIDENT \$
					OTHER THAN AUTO ONLY: EA ACC \$
A					OTHER THAN AUTO ONLY: AGG \$
					EACH OCCURRENCE \$ 1,000,000
A					AGGREGATE \$ 1,000,000
					WC STATU-TORY LIMITS <input checked="" type="checkbox"/> OTH-ER
A					E.L. EACH ACCIDENT \$ 100,000
					E.L. DISEASE - EA EMPLOYEE \$ 100,000
A					E.L. DISEASE - POLICY LIMIT \$ 500,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS
Management Consulting

RECEIVED

JUL 07 2003

CERTIFICATE HOLDER

CANCELLATION

VILLAGE MANAGERS OFFICE

VILLS-1

Village of Schaumburg
Municipal Center
Attn: Brian A. Townsend
101 Schaumburg Court
Schaumburg IL 60193-1899

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

Robert M. Schreyer