

AGREEMENT

THIS AGREEMENT, made this 24th day of August, 2005 by and between the VILLAGE OF SCHAUMBURG, (hereinafter referred to as the "Village"), HVS Asset Management and Strategic Advisory Services and HVS Convention, Sports & Entertainment Facilities Consulting, both divisions of HVS INTERNATIONAL, (hereinafter referred to as the "Company), with regard to certain services in connection with the asset management of the Schaumburg Convention Center & Hotel Project (hereinafter referred to as the "Project".)

NOW THEREFORE, the Village and the Company, in consideration of the mutual covenants hereinafter set forth, agree to as follows:

1. The Company agrees to perform services in connection with the Project as hereinafter stated. The Company shall at all times observe and comply with all laws, ordinances, and regulations of the federal, state, and local governments, which may in any manner affect the preparation of proposals or the performance of the Agreement.
2. The Company has made a proposal to the Village, dated April 25, 2005 and provided supplemental information dated May 20, 2005, attached hereto and expressly made a part hereof, in response to the Village's Request for Proposal, dated February 3, 2005, also attached hereto and expressly made part hereof.
3. This contract shall constitute the entire agreement and understanding by and between the parties hereto, and it shall not be considered modified, altered, changed, or amended in any respect unless done so in writing with signatures by both the Village and the Company.
4. The Company shall obtain, at its own expense, all permits and licenses which may be required to complete the Agreement, and/or required by federal, state, and local regulations and laws.
5. The Village does not discriminate on the basis of handicapped status in the admission of, access to, or treatment of employment in its programs and activities.
6. Not less than the prevailing wages as found by the Illinois Department of Labor shall be paid to consultants and staff performing work under this Agreement.
7. Any payment made to the Company shall be strictly on the basis of quantum merit. The Village will pay the Company for the performance of the Agreement as follows (see Exhibit A):
 - A. Monthly payments of fees based on actual work satisfactorily completed at \$15,000 per month in months 1 through 12, \$14,000 per month in months 13 through 24, and \$12,000 per month in months 25 through 36.

- B. Monthly payments of expenses will be based on actual costs incurred and shall not exceed a total of \$19,500 during months 1 through 12, a total of \$33,000 during months 12 through 24, and a total of \$19,500 during months 25 through 36.
 - C. The total Agreement payment of fees and expenses shall not exceed \$564,000, unless authorized by the Village.
 - D. Additions or deductions to the approved total amount for services shall be authorized in writing by the Village. Any out of scope work must be authorized in writing by the Village. Any work performed without written approval from the Village shall be solely at the expense of the Company.
8. The Company will perform those phases of the Project to which this Agreement applies, and will give consultation and advice to the Village during the performance of the services.
 9. The Company will provide certificates of insurance evidencing the types and limits of insurance. Each insurance company shall be acceptable to the Village. The General Liability coverage shall name the Village as an additional named insured. All insurance is primary, and in no event will be considered contributory to any insurance purchased by the Village. All insurance will not be canceled, reduced, or materially changed without providing the Village thirty (30) days advance notice, via certified mail.

The Company shall not commence work under this contract until they have obtained all insurance required and such insurance has been approved by the Village, nor shall the Company allow any subcontractors (hererafter Subs) to commence work on their subcontract until the same insurance has been obtained by the Sub. The Company and their Subs shall maintain all insurance for not less than one (1) year after completion of this contract
 10. The Company will provide the services as required herein in accordance with the Project Schedule.
 11. The Company will attend conferences and visit the site of the work as may be outlined in the Request for Proposal at any reasonable time when requested to do so by the Village.
 12. The Company warrants that they are technically qualified and entirely conversant with the requirements of this Project; and that they have sufficient properly trained, organized, and experienced personnel and/or subcontractors to perform the services enumerated herein.
 13. The Village and the Company each binds themselves and their partners, successors, executors, administrators, and assigns to the other party of this Agreement and to the

partners, successors, executors, administrators, and assigns of such other party, in respect to all covenants of this Agreement; except as above, and as noted in the attachments, neither the Village nor the Company shall assign, subcontract, or transfer their interest in this Agreement without consent of the other. Nothing herein shall be construed as creating any personal liability on the part of any officer or agent of any public body which may be a party hereto, nor shall it be construed as giving any rights or benefits hereunder to anyone other than the Village and Company.

The Company may subcontract portions of the work upon written approval from the Village. These Subs shall conform, in all respects, to the applicable provisions specified and shall further be subject to approval by the Village. The Company shall identify all proposed Subs who will furnish services under the terms of this proposal. The work to be done by the Subs shall be outlined in detail in the proposal submitted by the Company. None of the services to be furnished by the Company shall be subcontracted, assigned, or transferred to any other party or parties without the written consent of the Village. The consent to subcontract, assign, or otherwise transfer any portion of the services to be furnished by the Company shall not be construed to relieve the Company of any responsibility for the fulfillment of this Agreement. Any request for payment to the company, for work that was subcontracted, shall be supported with a waiver of lien and contractor's affidavit indicating the subcontractor has been paid and waives any lien on the project or funds for the project.

14. The Company shall be responsible for any and all damages to property or persons arising out of an error, omission, and/or negligent act in the prosecution of the work or failure to prosecute the work and shall indemnify and save harmless the Village, its officers, agents, and employees from all suits, claims, actions, or damages of any nature whatsoever resulting therefrom. The Company shall assume all restitution and repair costs arising out of an error, omission, and/or negligence.
15. All drawings, specifications, reports, and any other project documents prepared by the Company in connection with any or all of the services to be furnished thereunder shall be delivered to the Village for the expressed use of the Village. The Company does have the right to retain original documents, but shall cause to be delivered to the Village such quality of documents so as to assure total reproducibility of the documents delivered. All information, worksheets, reports, design calculations, plans, and specifications shall be the sole property of the Village unless otherwise specified in the negotiated agreement. The Company agrees that the basic survey notes and sketches, charts, computations, and other data prepared or obtained by the Company pursuant to the Agreement will be made available, upon request, to the Village without cost and without restriction or limitations as to their use. All field notes, test records, and reports shall be available to the Village upon request. The Village agrees to defend, indemnify, and hold harmless the Company from all claims, damages, and expenses arising out of such reuse or alteration by the Village or others acting through the Village.

16. The Village reserves the right by written amendment to make changes in requirements, amount of work, or time schedule adjustments. The Company and the Village shall negotiate appropriate adjustments acceptable to both parties to accommodate any changes.
17. The Village may, at any time by written order, require the Company to stop all or part of the services required by this Agreement. Upon receipt of such an order the Company shall immediately comply with its terms and take all steps to minimize the occurrence of costs allocable to the services covered by the order. The Village will pay for costs associated with suspension provided they are deemed reasonable by the Village.
18. The Village reserves the right to terminate the whole or any part of this Agreement, upon thirty (30) calendar days written notice to the Company. The Village further reserves the right to cancel the whole or part of the Agreement, if the Company fails to perform any of the provisions in the Agreement or fails to make delivery within the time stated. The Company will not be liable to perform if situations arise by reason of acts of God or public enemy, acts of Village, fires, or floods.

Should the Company fail to perform their Agreement to the satisfaction of the Village, the Village may, at its election, declare such contract terminated and at an end, reserving the right to maintain an action to recover damages arising due to breach of contract. Said election shall be made by a written notice to be sent by mail or served personally on the Company's office within ten (10) days from the date of default.

Upon termination, the Company shall cause to be delivered to the Village all surveys, reports, permits, agreements, calculations, drawings, specifications, partially and completed estimates, and data, as well as products of computer aided drafting, design, and writing that have been paid for by the Village. Cost of termination incurred by the Company before the termination date will be reimbursed by the Village only, if prior to the effective termination date, the Village receives from the Company a list of actions necessary to accomplish termination and the Village agrees in writing that those actions be taken. Upon receipt of the termination notice, the Company shall stop all work until said Agreement is reached.

The Company reserves the right to terminate the whole or any part of this Agreement, upon thirty (30) calendar days written notice to the in the event that the Village fails to make payment on invoices within 120 days of the date of the invoice.

19. The Village agrees to notify the Company at least twenty-four (24) hours in advance of the need for personnel or services. The Company will make its best efforts to provide personnel and services at the times required by the Village.

- 20. Nothing contained in this Agreement, nor the performance of the parties hereunder, is intended to benefit, nor shall inure to the benefit of, any third party, including the Village's Contractors, if any.
- 21. This Agreement shall be binding upon the partners, heirs, successors, executors, administrators, and assigns of all the parties hereto.

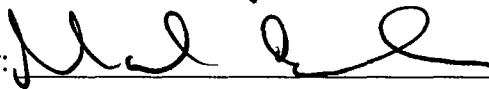
IN WITNESS WHEREOF, the parties have caused this Agreement to be executed on the date first above written.

Village of Schaumburg, a municipal corporation

Kenneth J. Fritz 
Village Manager

Company: HVS International

Address: 116 New Montgomery St. Suite 620
San Francisco, CA 94105
445 W. Erie Suite 110
Chicago, IL 60610

By: 

Title: President, Asset Management Division

By: Thomas Agnelli

Title: Managing Director