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AMENDMENT AND NO LIEN AGREEMENT

MARK WETTERLAND
RECORDER

Chicago Title Insurance Company

A

This amendment is entered to the 11 day of April, 1996 by and between The Bruce Company of Wisconsin, Inc., a Wisconsin corporation (hereinafter, "The Bruce Company"), and Schema Development Company, Inc., an Illinois corporation (hereinafter "Schema"), and this amendment amends a development agreement dated the 1st day of March, 1996 and the Standard Form of Agreement between Owner (Schema) and Contractor (The Bruce Company), dated March 1, 1996.

RECITALS

WHEREAS, Schema entered into a contract with The Gary Works Supervisors Club, Incorporated, (hereinafter "Supervisors"), dated August 9, 1996, as amended, whereby Schema is to construct a 9-hole golf course on Supervisors' property, all secured by a performance bond;

WHEREAS, Schema contracted with The Bruce Company in a development agreement dated March 1, 1996, attached hereto as exhibit A and incorporated herein, and a standard form agreement dated March 6, 1996, attached hereto as exhibit B and incorporated herein, to construct a 9-hole golf course but has failed to produce a performance bond, and Supervisors has rejected Schema's attempted performance;

WHEREAS, Supervisors desires for The Bruce Company to construct the 9-hole golf course and in addition to a performance and payment bond, The Bruce Company is willing to perform certain obligations, including entering into a no lien agreement; and,

WHEREAS, The Bruce Company and Schema wish to amend their development agreement (Exhibit A) and standard form of agreement for the construction of a 9-hole golf course (Exhibit B) so that performance will be acceptable to Supervisors;

NOW THEREFORE, in consideration of the recitals are incorporated herein as if fully set forth and the mutual promises contained herein and for other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. The Bruce Company will execute an agreement with Supervisors which is satisfactory to Supervisors pertaining to The Bruce Company's performance of its obligations. See Exhibit C.

2. The Bruce Company and Schema hereby acknowledge that they have this date entered into this amended agreement whereby Schema has employed The Bruce Company as general contractor for the purpose of performing all work and labor necessary in connection with construction of the 9-hole golf course all in accordance with the plans and specifications of Ken Killian and as outlined in the golf course contract. Schema has agreed to pay The Bruce Company for the golf course contract a sum of Five Hundred Thousand and no/100 Dollars (\$500,000.00). The golf course shall be constructed on the Supervisor's property which is legally described in Exhibit D, attached hereto and incorporated herein.

4500
[Handwritten initials]

3. The Bruce Company shall furnish for said improvements all labor, materials, and incidental services as specified in said contracts (Exhibits A and B) and in conformity with all of the provisions herein.

4. The parties agree that all of the work to be performed by The Bruce Company is to be performed under a no lien agreement pursuant to Indiana Code 32-8-3-1, and it is agreed that there shall be no liens filed against the property of Supervisors, legally described in Exhibit D, or the property of Schema, legally described in Exhibit E, attached hereto and incorporated herein, by The Bruce Company or any of its employees or subcontractors, or any mechanic, journeyman, laborer or person performing labor upon or furnishing materials and machinery for the work performed upon the property of Supervisors and Schema.

5. The Bruce Company shall permit no liens for work, labor or materials furnished or performed by any subcontractor or any other person, firm or corporation furnishing labor or materials to be used in the construction to be filed against the property of Supervisors or Schema.

6. The Bruce Company shall cause this contract to be filed with the Recorder of Lake County within the time required by state law.

7. The Bruce Company shall deliver to Supervisors an affidavit stating that all bills and obligations have occurred and the construction has been paid in full and no liens have been filed and that no liens are expected to be filed, said affidavit covering labor, materials and equipment.

8. The Bruce Company shall indemnify and hold Supervisors harmless from all liens, claims or rights to enforce liens, against the Supervisors' property, Schema's property, or the improvements arising out of the work to be performed or labor or materials to be furnished under the golf course contracts, Exhibits A and B. Neither final payment by Schema nor acceptance of the improvements shall constitute a waiver of this indemnity, and if any lien or claim for lien shall at any time be filed, The Bruce Company shall pay to the Supervisors all monies the Supervisors may be compelled to pay in discharging the lien, including all costs and reasonable attorneys fees.

9. The Bruce Company shall keep Supervisors fully advised of all progress it is making and fully advised of the status of the relations with Schema, including any action it takes regarding a matter of default or a matter pertaining to the letter of credit posted by U.S. Bank on March 18, 1996 as revised, by sending written notice to Supervisors immediately.

Dated this 6 day of April, 1996.

THE BRUCE COMPANY OF WISCONSIN

BY: [Signature]

Its Pres. CEO.

ATTEST: [Signature]
Secretary



Acknowledgement

STATE OF INDIANA
COUNTY OF LAKE

SS:

Before me, a Notary Public in and for said County and State, on this 6 day of April, 1996, personally appeared [Signature] and M. J. Miseng and acknowledged the execution of the above and foregoing Agreement to be a voluntary act and deed, and represented that they had all authority to execute same.

Witness my hand and Notarial Seal.

[Signature]
Notary Public
RICHARD HANDSCHKE
Printed Name

My Commission Expires:
Apr 20, 1997

My County of Residence:
Dane



SCHEMA DEVELOPMENT COMPANY, INC.

BY: [Signature]
Its Executive Vice President

ATTEST: [Signature]
Secretary VICE PRES.

(NOTARY TO FOLLOW)

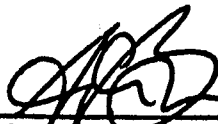
Acknowledgement

STATE OF INDIANA
COUNTY OF LAKE

SS:

Before me, a Notary Public in and for said County and State, on this 11 day of April, 1996, personally appeared Robert Carota and Paul Sarnsen and acknowledged the execution of the above and foregoing Agreement to be a voluntary act and deed, and represented that they had all authority to execute same.

Witness my hand and Notarial Seal.

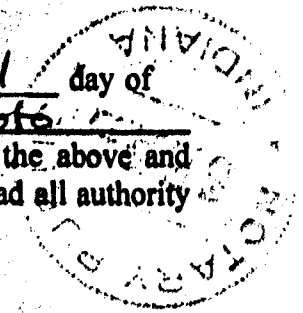
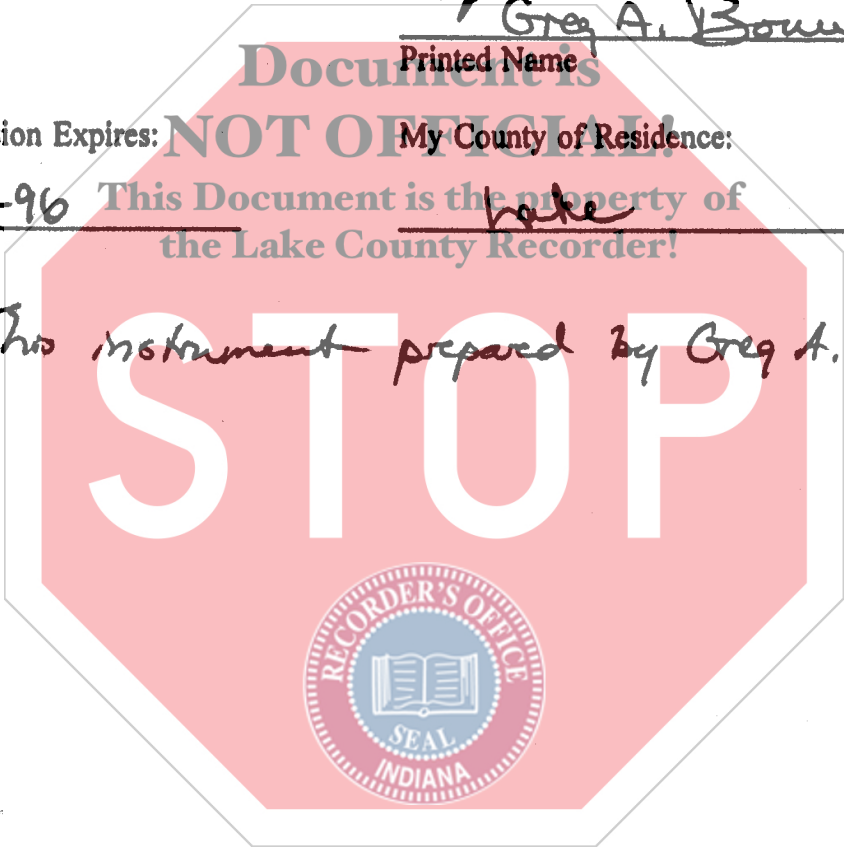


Notary Public
Greg A. Bowers
Printed Name

My Commission Expires: 10-19-96 My County of Residence: Lake

This Document is the property of
the Lake County Recorder!

This instrument prepared by Greg A. Bowers



DEVELOPMENT AGREEMENT

THIS AGREEMENT is entered into this 1 day of March, 1996, by and between The Bruce Company of Wisconsin, Inc., a Wisconsin corporation ("The Bruce Company"), and Schema Development Company, Inc., an Illinois corporation ("Schema").

RECITALS

WHEREAS, the Gary Works Supervisors Club, an Indiana non-profit, non-stock corporation (the Club), is the owner of four parcels of land located in Lake County, Indiana and more particularly described as:

- Parcel A _____ ("golf course parcel"); and
- Parcel B1 _____;
- Parcel B2 _____; and
- Parcel B3 _____ (together, the "development parcel");

and

WHEREAS, the Club has conveyed Parcel B1, and has agreed to convey Parcels B2 and B3 to Schema in consideration of, in part, Schema's promise to construct a nine-hole golf course on the golf course parcel for the benefit of the Club; and

WHEREAS, Schema wishes to employ The Bruce Company for the purpose of stripping of top soil and mass earth work on the development parcel and for the purpose of constructing a golf course per the details of Exhibit C; and

WHEREAS, Schema agrees that The Bruce Company will extend credit to Schema for the work to be done on the golf course parcel by allowing Schema to pay for that work from the proceeds of sales of lots in the development parcel; and

WHEREAS, The Bruce Company and Schema (the "Parties" herein) wish to confirm their agreements regarding the development parcel and the golf course parcel;

NOW, THEREFORE, in consideration of the mutual promises contained herein and for other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

Development Parcel:

1. Schema will, not later than 3/1/96, provide to the Bruce Company verification of its receipt of preliminary approval to sub-divide a development parcel into not less than 100 lots. Schema will provide Indiana council opinion that based upon the state statutes, once preliminary approval has been granted, final plat approval cannot be denied. This opinion will become Exhibit A of this agreement.

2. Upon the satisfaction of item 1 above, and the satisfaction of each of the subdivision conditions precedent set out below, The Bruce Company and Schema shall execute a contract for the site work on the development parcel in the form attached to this Agreement as Exhibit B.

Golf Course Parcel:

1. Upon the execution of the contract attached to this Agreement as Exhibit B and the satisfaction of the conditions precedent for the golf course parcel set out below, the Parties shall execute the contract for golf course development attached to this Agreement as Exhibit C.

2. Schema's payment for the golf course development shall be tendered by its execution of a promissory note to The Bruce Company in the form attached to this Agreement as Exhibit D (the "Note"). The note shall be secured by a mortgage on the development parcel in the form attached to this Agreement as Exhibit E. The mortgage shall be subordinate only to the lien of the construction mortgage from Schema to U.S. Bank in an amount not to exceed \$4,275,000.00 ("the first mortgage").

Conditions Precedent.

1. Each of the following conditions precedent shall be completed to the satisfaction of the parties prior to the execution of the contract attached to this Agreement as Exhibit B:

i. Evidence of Title. A commitment for an A.L.T.A. mortgagee title insurance policy, without exceptions, indicating that title to the development parcel is held by Schema and that the lien of the mortgage securing payment of the Note shall be subordinate only to the lien of the first mortgage. Schema to supply preliminary policy immediately with full title evidence with second mortgage recorded in favor of The Bruce Company upon closing.

ii. Construction Loan. A copy of the commitment for the funding of a construction loan to Schema for disbursement, in part, to The Bruce Company in payment for the site work on the development parcel. Schema shall supply a summary on a lot by lot basis indicating proposed use of funds from closing to The Bruce Company.

iii. Permits. Schema shall have obtained, at its expense, all required permits, licenses and approvals required for the completion of the site work on the development parcel.

2. Each of the following conditions precedent shall be completed to the satisfaction of the parties prior to the execution of the contract attached to this Agreement as Exhibit C:

i. Note. The note shall be executed by its maker and guarantors and delivered to The Bruce Company.

ii. Mortgage. Schema shall execute and deliver for recording its mortgage on the development parcel.

iii. Opinion of Counsel. Counsel for Schema shall deliver to The Bruce Company a written opinion, in form and substance satisfactory to The Bruce Company, stating that:

A. Schema is a duly organized and existing corporation, in good standing and registered to conduct business in the State of Indiana;

B. The execution of this Development Agreement and its Exhibits by Schema has been duly authorized by appropriate action of the corporation;

C. When executed and recorded, the note and mortgage from Schema to The Bruce Company will be valid and legally binding upon Schema;

D. Counsel has no knowledge of any proceeding, whether pending or threatened against Schema or the development parcel which involves the validity or enforcement of this Agreement or its Exhibits or which would affect the contemplated use of the development parcel.

iv. Letter of Credit. Schema shall deliver to The Bruce Company an irrevocable, standby letter of credit payable on sight, in the amount of \$150,000.00 from a federally chartered commercial lender in a form acceptable to the Bruce Company. The Bruce Company agrees not to call on the letter of credit prior to 6/1/98 unless Schema is in default of any part of this agreement. In the event of a default The Bruce Company shall apply the value of the letter of credit against any unpaid portion of the note of \$500,000.00.

v. Permits. Schema shall have obtained, at its expense, all required permits, licenses and approvals required for the completion of the site work on the golf course parcel. Schema shall provide The Bruce Company with a copy of the wetlands delineation report and provide staking of wetlands areas on site. It is understood that The Bruce Company will not perform any work within the wetlands unless supplied with a permit to do so from the US Army Corp of Engineers.

Unlimited

vi. The Club's Board approval. Receipt by The Bruce Company of a certified copy of a resolution of the Board of Directors of the Club consenting to the work to be performed on the golf course parcel and approving the recording of a second mortgage in favor of The Bruce Company and Gary Works Supervisors Club.

SCHEMA DEVELOPMENT
COMPANY, INC.

Ann Coffey
SCHEMA DEVELOPMENT, President
COMPANY, INC.

ALICE: *Richard L. Borton*
Secretary

THE BRUCE COMPANY OF
WISCONSIN, INC.

Leiland C. Bruce
Leiland C. Bruce, President + CEO

ALICE: *William T. Borton*
William T. Borton, Asst. Secretary



APRIL E. WOODEN
Attorney at Law

Telephone (219) 845-5808
Fax (219) 845-4531

March 4, 1996

Mr. Lee Bruce, President
The Bruce Company
2830 W. Beltline Highway
Post Office Box 330
Middleton, WI 53562

Document is NOT OFFICIAL!
This Document is the property of
the Indianapolis Board of Zoning Appeals
Re: Opinion regarding preliminary plat approval,
Deep River Pointe Development

Dear Mr. Bruce:

Mr. Robert Cavoto asked that I send you this letter explaining the plat approval process in Hobart, and the legal significance, under Indiana Statute, of preliminary plat approval. Although I am now in private practice, I served as an attorney for the City of Hobart for a number of years.

Preliminary plat approval by the Plan Commission is the major step required in subdivision approval. In the case of Deep River Pointe, the Plan Commission reviewed the subdivision plan, held a public hearing, granted preliminary plat approval and recommended approval of the rezoning to the City Council. The rezoning is also now final.

Under Indiana law, after the public hearing, if the plan commission determines that the plat complies with the subdivision ordinance, it must grant approval. Final plat approval is simply a ministerial act. There is no discretion in granting approval; it is mandatory, if the subdivision requirements have been met.

Sonja Kainrath, the Hobart Zoning Administrator, can affirm that the information contained in this letter applies to Deep River Pointe. She can be reached at (219) 942-1722. If I can be of further assistance to you, please do not hesitate to contact me.

Very truly yours,

April E. Wooden
April E. Wooden

2323 Summer Street • Hammond, IN 46320

STANDARD FORM OF AGREEMENT BETWEEN OWNER AND CONTRACTOR

where the basis of payment is a **STIPULATED SUM**

1991 EDITION

The 1991 Edition of TBC DOCUMENT A-2, the General Conditions of the Contract for Construction, is adopted in this document by reference. Do not use with other general conditions unless this document is modified.

Document is NOT OFFICIAL!

This Document is the property of the Lake County Recorder!

made as of the **SIXTH** day of **MARCH** in the year of **1996**. BETWEEN

The Owner:
(Name and address)
**SCHEMA DEVELOPMENT COMPANY, INC.
53 WEST JACKSON BOULEVARD, SUITE 1562
CHICAGO, IL 60604**

and the Contractor:
(Name and address)
**THE BRUCE COMPANY OF WISCONSIN, INC.
2830 WEST BELTLINE HIGHWAY
PO BOX 620330
MIDDLETON, WI 53562-0330**

The Project is:
(Name and location)
**NINE HOLE ADDITION TO THE SUPERVISOR'S CLUB GOLF COURSE
HOBART, INDIANA**

The Designer is:
(Name and address)
**KILLIAN DESIGN GROUP
KEN KILLIAN - PRINCIPAL/PROJECT ARCHITECT
66 BRENTWOOD DRIVE
PALATINE, IL 60074**

The Owner and Contractor agree as set forth below.

Exhibit
B

**ARTICLE 1
THE CONTRACT DOCUMENTS**

The Contract Documents consist of this Agreement, Conditions of the Contract (General, Supplementary and other Conditions), Drawings, Specifications, addenda issued prior to execution of this Agreement, other documents listed in this Agreement and Modifications issued after execution of this Agreement; these form the Contract, and are as fully a part of the Contract as if attached to this Agreement or repeated herein. The Contract represents the entire and integrated agreement between the parties hereto and supersedes prior negotiations, representations or agreements, either written or oral. An enumeration of the Contract Documents, other than Modifications, appears in Article 9.

**ARTICLE 2
THE WORK OF THIS CONTRACT**

The Contractor shall execute the entire Work described in the Contract Documents, except to the extent specifically indicated in the Contract Documents to be the responsibility of others, as follows:

CONSTRUCTION OF A NINE HOLE GOLF COURSE ADDITION.

- 1) GOLF COURSE ADDITION SHALL BE CONSTRUCTED SO AS TO HAVE THE CONSISTENCIES AND QUALITIES OF THE EXISTING EIGHTEEN HOLE SUPERVISOR'S CLUB GOLF COURSE, AND BE DESIGNED BY KILLIAN DESIGN GROUP, KEN KILLIAN, ARCHITECT. SEE OUTLINE SPECIFICATION ATTACHED.
- 2) CONSTRUCTION SHALL INCLUDE TEN (10) GREENS, AVERAGING 5,000 SQUARE FEET EACH, PLUS COLLAR.
- 3) IRRIGATION SHALL CONSIST OF A SINGLE ROW TORO® IRRIGATION SYSTEM.
- 4) GREENS SHALL BE CONSTRUCTED OF 80:20 SAND:PEAT MIX.
- 5) GREENS SHALL BE SEEDED TO BENTGRASS.
- 6) TEES, FAIRWAYS & ROUGHS SHALL BE SEEDED TO A BLUEGRASS MIXTURE.

**ARTICLE 3
DATE OF COMMENCEMENT AND SUBSTANTIAL COMPLETION**

3.1 The date of commencement is the date from which the Contract Time of Paragraph 3.2 is measured, and shall be the date of this Agreement, as first written above, unless a different date is stated below or provision is made for the date to be fixed in a notice to proceed issued by the Owner.

THE CONTRACTOR SHALL COMMENCE WORK NOT LATER THAN MARCH 15, 1996

Unless the date of commencement is established by a notice to proceed issued by the Owner, the Contractor shall notify the Owner in writing not less than five days before commencing the Work in pursuit of the timely filing of mortgages, mechanic's liens and other security interests.

3.2 The Contractor shall achieve Substantial Completion of the entire Work not later than

OCTOBER 1, 1996

subject to adjustments of this Contract Time as provided in the Contract Documents.

**ARTICLE 4
CONTRACT SUM**

4.1 The Owner shall pay the Contractor in current funds for the Contractor's performance of the Contract the Contract Sum of FIVE HUNDRED THOUSAND DOLLARS AND NO CENTS (\$500,000.00), subject to additions and deductions as provided in the Contract Documents.

THE CONTRACT SUM REPRESENTS THE TOTAL AMOUNT ANTICIPATED TO BE REQUIRED TO BUILD THE COURSE IN ACCORDANCE WITH THE SCOPE OF WORK AS DEFINED IN ARTICLE 2 ABOVE. SHOULD CHANGES BE REQUIRED IN ONE OR MORE AREAS AS DESIGN DEVELOPMENT CONTINUES REQUIRING ADDITIONAL WORK, OFF-SETTING CHANGES WILL BE MADE IN OTHER AREA(S) AS NECESSARY TO KEEP THE CONTRACT SUM AS CLOSE TO THE \$500,000 FIGURE AS POSSIBLE.

4.2 The Contract Sum is based upon the following alternates, if any, which are described in the Contract Documents and are hereby accepted by the Owner: NONE

4.3 Unit prices, if any, are as follows: NONE

**ARTICLE 5
PROGRESS PAYMENTS**

5.1 Based upon Applications for Payment submitted to the Owner by the Contractor, the Owner shall make progress payments on account of the Contract Sum to the Contractor as provided below and elsewhere in the Contract Documents.

5.2 The period covered by each Application for Payment shall be one calendar month ending on the last day of the month, or as follows:

5.3 Provided an Application for Payment is received by the Owner not later than the 25TH day of a month, the Owner shall make payment to the Contractor not later than the 10TH day of the FOLLOWING month. If an Application for Payment is received by the Owner after the application date fixed above, payment shall be due by the Owner not later than 30 days after the Owner receives the Application for Payment. ANY AMOUNT NOT PAID IN FULL UNDER THE TERMS OUTLINED ABOVE SHALL ACCRUE INTEREST AT 9.5% PER ANNUM UNDER TERMS OF THE PROMISSORY NOTE DATED MARCH 8, 1988 AND DUE IN IT'S ENTIRETY JUNE 1, 1998.

5.4 Each Application for Payment shall be based upon the schedule of values submitted by the Contractor in accordance with the Contract Documents. The schedule of values shall allocate the entire Contract Sum among the various portions of the Work and be prepared in such form and supported by such data to substantiate its accuracy as the Owner may require. This schedule, unless objected to by the Owner, shall be used as a basis for reviewing the Contractor's Applications for Payment.

5.5 Applications for Payment shall indicate the percentage of completion of each portion of the Work as of the end of the period covered by the Application for Payment.

5.6 Subject to the provisions of the Contract Documents, the amount of each progress payment shall be computed as follows:

5.6.1 Take that portion of the Contract Sum properly allocable to completed Work as determined by multiplying the percentage completion of each portion of the Work by the share of the total Contract Sum allocated to that portion of the Work in the schedule of values, less retainage of TEN percent (10%). Pending final determination of cost to the Owner of changes in the Work, amounts not in the dispute may be included as provided in Subparagraph 7.3.7 of the General Conditions even though the Contract Sum has not yet been adjusted by Change Order.

5.6.2 Add that portion of the Contract Sum properly allocable to materials and equipment delivered and suitably stored at the site for subsequent incorporation in the completed construction (or suitably stored off the site at a location agreed upon in writing), less retainage of TEN percent (10%);

5.6.3 Subtract the aggregate of previous payments made by the Owner; and

5.6.4 Subtract amounts, if any, for which the Owner has withheld or nullified a Certificate for Payment as provided in Paragraph 9.3 of the General Conditions.

5.7 The progress payment amount determined in accordance with Paragraph 5.6 shall be further modified under the following circumstances:

5.7.1 Add, upon Substantial Completion of the Work, a sum sufficient to increase the total payments to ONE HUNDRED PERCENT (100%) of the Contract Sum, less such amounts as shall be determined for incomplete Work and unsettled claims; and

5.7.2 Add, if final completion of the Work is thereafter materially delayed through no fault of the Contractor, any additional amounts payable in accordance with Subparagraph 9.10.3 of the General Conditions.

5.8 Reduction or limitation of retainage, if any, shall be as follows:

RETAINAGE SHALL BE LIMITED TO 10% OF THE FIRST 50% OF THE PROJECT.

**ARTICLE 6
FINAL PAYMENT**

Final payment, constituting the entire unpaid balance of the Contract Sum, shall be made by the Owner to the Contractor when the Contract has been fully performed by the Contractor except for the Contractor's responsibility to correct nonconforming Work as provided in Subparagraph 12.2.2 of the General Conditions and to satisfy other requirements, if any, which necessarily survive final payment. Such final payment shall be made by the Owner not more than 30 days after the receipt of Application for Final Payment, or as follows:

**ARTICLE 7
MISCELLANEOUS PROVISIONS**

7.1 Where reference is made in this Agreement to a provision of the General Conditions or another Contract Document, the reference refers to that provision as amended or supplemented by other provisions of the Contract Documents.

7.2 Payments due and unpaid under the Contract shall bear interest from the date payment is due at the rate stated below, or in the absence thereof, at the legal rate prevailing from time to time at the place where the Project is located.

7.3 Other provisions:

- 1) OWNER SHALL OBTAIN AND PAY FOR NECESSARY PERMITS.
- 2) STAKING OF GOLF COURSE CENTERLINES (TEE, TURNING POINT & GREEN) SHALL BE PERFORMED BY OWNER. ALL OTHER GOLF COURSE FEATURE STAKING SHALL BE PERFORMED BY CONTRACTOR AT CONTRACTOR'S EXPENSE.
- 3) PROJECT WILL BE TURNED OVER TO OWNER UPON COMPLETION OF BUILDING ON A HOLE-BY-HOLE BASIS.
- 4) SCHEMA DEVELOPMENT COMPANY, INC. SHALL BE RESPONSIBLE FOR ALL COMMUNICATIONS WITH AND OBTAINING NECESSARY CONSENTS FROM SUPERVISOR'S CLUB.

This Document is the property of
the Lake County Recorder!

**ARTICLE 8
TERMINATION OR SUSPENSION**

8.1 The Contract may be terminated by the Owner or the Contractor as provided in Article 14 of the General Conditions.

8.2 The Work may be suspended by the Owner as provided in Article 14 of the General Conditions.

**ARTICLE 9
ENUMERATION OF CONTRACT DOCUMENTS**

9.1 The Contract Documents, except for Modifications issued after execution of this Agreement, are enumerated as follows:

9.1.1 The Agreement is this executed Standard Form of Agreement Between Owner and Contractor, TBC DOCUMENT A-1, 1991 Edition.

9.1.2 The General Conditions are the General Conditions of the Contract for Construction, TBC DOCUMENT A-2, 1991 Edition.

9.1.3 The Supplementary and other Conditions of the Contract are those contained in the Project Manual dated _____ and are as follows:

Title _____ Page

9.1.4 The Specifications are those contained in the Project Manual dated as in Subparagraph 9.1.3, and are as follows:

Title _____ Page

9.1.5 The addenda, if any, are as follows:

Number _____ Date _____ Pages _____

Portions of addenda relating to bidding requirements are not part of the Contract Documents unless the bidding requirements are also enumerated in this Article 9

9.1.6 Other documents, if any, forming part of the Contract Documents are as follows:

None

This Agreement is entered into as of the day and year first written above and is executed in two original copies, which are to be delivered to the Contractor and to the Owner.

OWNER

Robert F. Cavoto

(Signature)

Robert F. Cavoto

(Printed Name)

Vice President

(Printed Title)

OWNER

Thomas C. Lonetti

(Signature)

THOMAS C. LONETTI

(Printed Name)

PRESIDENT

(Printed Title)

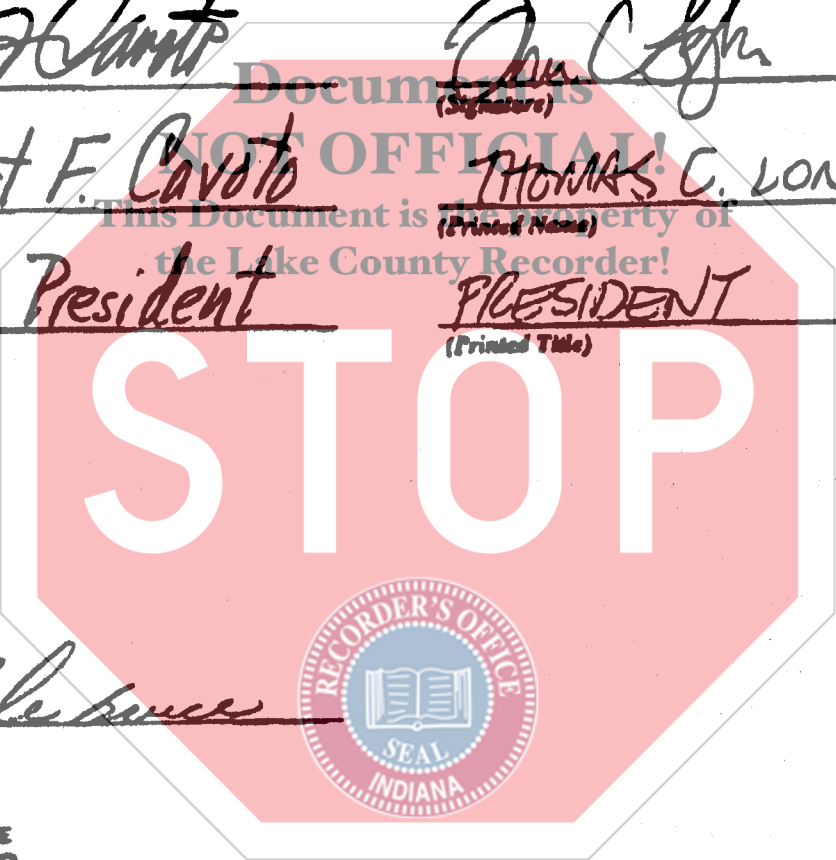
CONTRACTOR

Leland C. Bruce

(Signature)

LELAND C. BRUCE
PRESIDENT & CEO

(Printed Name and Title)



Enio.1
C

AGREEMENT

The Bruce Company of Wisconsin, Inc. (hereinafter, Bruce) and Gary Works Supervisors Club, Inc. (hereinafter, Supervisors), hereby agree as follows:

WHEREAS, Supervisors entered into a contract dated August 9, 1995, as amended, with Schema Development Company, Inc. (Schema) for the complete construction of a 9-hole golf course on the real estate legally described in Exhibit A, attached hereto and incorporated herein, located in Lake County, IN, (Supervisor's property);

WHEREAS, Supervisors will perform all of its payment obligations under its aforementioned contract with Schema at closing by transferring to Schema three parcels of real estate legally described in Exhibit B, (Schema's property);

WHEREAS, on the 6th day of March, 1996, Bruce entered into a contract with Schema for the construction of the 9-hole golf course on the Supervisor's property (Schema Contract) with Ken Killian as the architect;

WHEREAS, Schema was required to have a performance bond to secure its obligations, and in lieu thereof, Bruce is willing to have a performance and payment bond and perform pursuant to this agreement to secure its and Schema's obligations to Supervisor's, and thus, obtain permission from Supervisor's to enter upon Supervisor's property;

NOW THEREFORE, in consideration of the recitals hereinabove which are all incorporated herein as if fully set forth and all of the terms and conditions set forth, the parties agree as follows:

1. Bruce agrees to build the golf course for Five Hundred Thousand and no/100 Dollars (\$500,000.00) pursuant to the Schema contract, which shall be paid in the form of a promissory note for Five Hundred Thousand and no/100 Dollars (\$500,000.00), personally guaranteed by the principals of Schema. Bruce accepts the promissory note as full payment under the Schema Contract.
2. Bruce will accept the payments of Five Thousand and no/100 Dollars (\$5,000.00) every month on the promissory note of Five Hundred Thousand and no/100 Dollars (\$500,000.00) as the full payment obligation under the promissory note for a one year period from the date hereof, plus proceeds from the sale of individual lots in Schema's property as part of that payment obligation.
3. As long as Bruce receives the promissory note and the monthly payments of Five Thousand and no/100 Dollars (\$5,000.00) thereon, commencing in April of 1996 or soon thereafter, plus proceeds from the sale of individual lots pursuant to its mortgage on Schema's property, Bruce will have been paid the balance of the contract price pursuant to the performance bond it issued to Supervisors and Schema, which are attached hereto.

4. Bruce, once it commences construction of the golf course, will complete the golf course by October 1, 1996, as per Schema contract, subject to approved extensions, and remedy all defects in the course by the Spring of 1997 or earlier.

5. Bruce will utilize an irrevocable letter of credit issued by U.S Bank on March 16, 1996 in favor of Schema in the amount of One Hundred Fifty Thousand and no/100 Dollars (\$150,000.00) to secure the Five Thousand and no/100 Dollar (\$5,000.000) per month minimum payments required from Schema on the promissory note, and Bruce will not use that letter of credit for any other purpose until the Schema contract is fully completed. The promissory note relates solely to the contract to construct the golf course. Bruce may only use the letter of credit to receive the Five Thousand and no/100 Dollars (\$5,000.00) payments and may not declare a default by Schema or accelerate indebtedness as long as it receives those payments.

6. Bruce recognizes that Supervisors has no obligation whatsoever to Bruce, and Bruce hereby releases any claim it may have against Supervisors, and hereby waives any rights that it may, or its subcontractors may have to file any type of lien, including mechanics lien, against the Supervisor's property or over any property owned by Supervisors.

7. If Bruce does not complete the golf course by October 1, 1996 or approved extensions thereof by Supervisors and Killian, Bruce will assign all remaining amounts on the letter of credit to Supervisors as of the date of termination of Bruce if termination occurs before the golf course is fully constructed, subject only to growing in. Termination is when no substantial work has been performed for a two week period, for whatever reason.

8. All change orders related to the golf course will be added to and become part of the principal of the Five Hundred Thousand and no/100 Dollars (\$500,000.00) promissory note which will not change the terms of the promissory note.

9. If Bruce does not complete the golf course by October 1, 1996, subject to approved extensions, Bruce will subordinate its entire mortgage in Deep River Pointe to the Supervisor's mortgage.

10. Supervisors grants Bruce permission to construct the golf course on its property.

11. Bruce guarantees completion of the golf course by October 1, 1996, subject to approved extensions, as long as it receives the \$5,000/month payment from Schema or the letter of credit, plus proceeds from the sales of individual lots on Schema's property.

12. Bruce shall indemnify and hold Supervisors harmless from all liens, claims or rights to enforce liens, against the Supervisors' property, Schema's property, or the improvements arising out of the work to be performed or labor or materials to be furnished under the golf course contracts, Exhibits A and B. Neither final payment by Schema nor acceptance of the improvements shall constitute a waiver of this indemnity, and if any lien or claim for lien shall at any time be filed, Bruce shall pay to the Supervisors all monies the Supervisors may be compelled to pay in discharging the lien, including all costs and reasonable attorneys fees. Bruce shall keep Supervisors fully advised of all progress it is making and fully advised of the

status of the relations with Schema, including any action it takes regarding a matter of default or a matter pertaining to the letter of credit posted by U.S. Bank on March 18, 1996 as revised, by sending written notice to Supervisors immediately.

13. If Bruce defaults under or breaches the terms of this Agreement, Supervisors has the right to pursue all legal and equitable remedies against Bruce and shall be entitled to recover reasonable attorney fees, in the event of a default or breach, which Supervisors incurs in enforcing this Agreement and/or recovering damages.

Dated this _____ day of April, 1996.

THE BRUCE COMPANY OF WISCONSIN

BY: _____

Its _____
This Document is the property of
the Lake County Recorder!

ATTEST: _____
Secretary

Acknowledgement

STATE OF INDIANA
COUNTY OF LAKE

SS:

Before me, a Notary Public in and for said County and State, on this _____ day of _____, 1996, personally appeared _____ and acknowledged the execution of the above and foregoing Agreement to be a voluntary act and deed, and represented that they had all authority to execute same.

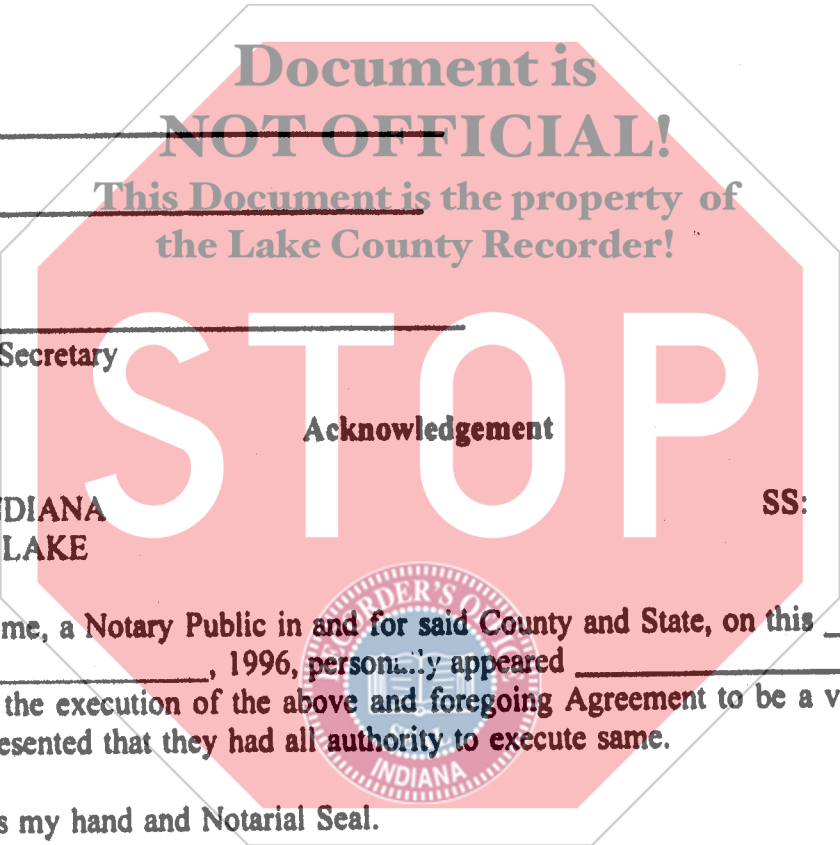
Witness my hand and Notarial Seal.

Notary Public

Printed Name

My Commission Expires:

My County of Residence:



GARY WORKS SUPERVISORS CLUB, INCORPORATED

By: _____
Its: _____



A PARCEL OF LAND IN SECTIONS 8, 9, AND 16, TOWNSHIP 35 NORTH, RANGE 7 WEST OF THE SECOND PRINCIPAL MERIDIAN, ALL IN LAKE COUNTY, INDIANA, DESCRIBED AS FOLLOWS:

PARCEL 1: BEGINNING AT THE NORTH QUARTER POST OF SAID SECTION 9; THENCE EAST ALONG THE NORTH LINE OF THE NORTHEAST QUARTER TO THE NORTHEAST CORNER OF THE WEST HALF OF THE NORTHEAST QUARTER; THENCE SOUTH ALONG THE EAST LINE OF THE WEST HALF OF SAID NORTHEAST QUARTER TO THE NORTHEAST CORNER OF THE WEST HALF OF THE SOUTHEAST QUARTER OF SAID SECTION 9; THENCE SOUTH ALONG THE EAST LINE OF THE WEST HALF OF SAID SOUTHEAST QUARTER THENCE WESTERLY NORTH 89 DEGREES 27 MINUTES WEST A DISTANCE OF 735.18 FEET; THENCE NORTHWESTERLY NORTH 32 DEGREES 30 MINUTES WEST A DISTANCE OF 246.4 FEET; THENCE SOUTHWESTERLY, SOUTH 84 DEGREES 14 MINUTES WEST A DISTANCE OF 238.15 FEET; THENCE SOUTHWESTERLY SOUTH 15 DEGREES 58 MINUTES WEST A DISTANCE OF 673.54 FEET; THENCE NORTHWESTERLY, NORTH 74 DEGREES 57 MINUTES WEST A DISTANCE OF 36.76 FEET; THENCE SOUTHWESTERLY, SOUTH 10 DEGREES 21 MINUTES WEST A DISTANCE OF 262.0 FEET TO THE CENTERLINE OF THE HOBART-DEEP RIVER ROAD. THE BEARINGS USED IN THIS DESCRIPTION THUS FAR ARE BASED UPON SURVEYS CONDUCTED BY JOEL W. PARKER, REGISTERED PROFESSIONAL ENGINEER NO. 2867; SAID SURVEYS HAVE ASSUMED THE EAST LINE OF SECTION 9, TOWNSHIP 35 NORTH, RANGE 7 WEST AS HAVING A BEARING OF SOUTH 00 DEGREES 07 MINUTES EAST. BEARINGS AS APPEAR HENCEFORTH UNLESS OTHERWISE NOTED ARE BASED UPON SURVEYS CONDUCTED BY CHARLES G. PELLER, REGISTERED PROFESSIONAL ENGINEER NO. 4952; SAID SURVEYS HAVE ASSUMED THE EAST LINE OF SECTION 16, TOWNSHIP 35 NORTH, RANGE 7 AS HAVING A TRUE NORTH 00 DEGREES 00 MINUTES EAST BEARING. THENCE NORTHWESTERLY ALONG THE HOBART-DEEP RIVER ROAD NORTH 57 DEGREES 46 MINUTES 30 SECONDS WEST A DISTANCE OF 543.4 FEET; THENCE NORTHWESTERLY ALONG SAID ROAD NORTH 69 DEGREES 41 MINUTES 30 SECONDS WEST A DISTANCE OF 185.6 FEET; THENCE NORTHWESTERLY ALONG SAID ROAD NORTH 80 DEGREES 42 MINUTES 30 SECONDS WEST A DISTANCE OF 217.45 FEET TO THE INTERSECTION OF COUNTY ROAD K AND THE HOBART-DEEP RIVER ROAD; THENCE SOUTHWESTERLY ALONG SAID COUNTY ROAD K, SOUTH 49 DEGREES 14 MINUTES 30 SECONDS WEST A DISTANCE OF 410.6 FEET; THENCE SOUTHWESTERLY ALONG SAID K COUNTY ROAD K, SOUTH 55 DEGREES 54 MINUTES 30 SECONDS WEST A DISTANCE OF 144.35 FEET TO A POINT ON THE WEST LINE OF THE EAST HALF OF THE NORTHWEST QUARTER OF SECTION 16; THENCE NORTH ALONG SAID WEST LINE TO THE SOUTHWEST CORNER OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 9; THENCE NORTH ALONG THE WEST LINE OF SAID SOUTHEAST QUARTER TO THE SOUTHEAST CORNER OF THE NORTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 9; THENCE WEST ALONG THE SOUTH LINE OF SAID NORTHWEST QUARTER TO A POINT 489.8 FEET EAST OF THE SOUTHWEST CORNER OF SAID NORTHWEST QUARTER; THENCE NORTH 505.4 FEET TO THE CENTERLINE OF THE HOBART-DEEP RIVER ROAD; THENCE NORTHWESTERLY ALONG SAID ROAD 492.75 FEET TO A POINT ON THE WEST LINE OF THE SOUTHWEST QUARTER OF SECTION 9, BEING 559.3 FEET NORTH OF THE SOUTHWEST CORNER OF THE NORTHWEST QUARTER OF THE SOUTHWEST QUARTER; THENCE NORTH ALONG THE WEST LINE OF THE SOUTHWEST QUARTER OF SECTION 9 TO THE WEST QUARTER POST OF SAID SECTION 9; THENCE EAST ALONG THE SOUTH LINE OF THE NORTHWEST QUARTER OF SAID SECTION 9; TO A POINT 95 RODS EAST OF THE WEST QUARTER POST; THENCE NORTH TO A POINT 349.4 FEET SOUTH OF THE NORTH LINE OF THE NORTHWEST QUARTER OF SAID SECTION 9; THENCE EAST AND PARALLEL TO THE NORTH LINE OF SAID NORTHWEST QUARTER A DISTANCE OF 34 RODS; THENCE NORTH AND PARALLEL TO THE WEST LINE OF SAID NORTHWEST QUARTER A DISTANCE OF 349.4 FEET TO THE NORTH LINE OF SAID NORTHWEST QUARTER; THENCE EAST ALONG THE NORTH LINE OF SAID NORTHWEST QUARTER TO THE NORTH QUARTER POST OF SECTION 9, BEING THE POINT OF BEGINNING, EXCEPTING THEREFROM THE FOLLOWING:

ALSO EXCEPT:

THAT PART OF THE SOUTHWEST QUARTER OF SECTION 9; TOWNSHIP 35 NORTH, RANGE 7 EAST OF THE THIRD PRINCIPAL MERIDIAN HERETOFORE CONVEYED TO THE LAKE COUNTY PARK AND RECREATION DISTRICT PER DOCUMENT NO. 280399 IN LAKE COUNTY, INDIANA.

ALSO EXCEPT:

A PARCEL OF LAND LOCATED IN THE NORTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 9, TOWNSHIP 35 NORTH, RANGE 7 WEST OF THE SECOND PRINCIPAL MERIDIAN, IN LAKE COUNTY, INDIANA, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: COMMENCING AT THE NORTHWEST CORNER OF THE NORTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SAID

SECTION 9; THENCE SOUTH ALONG THE WEST LINE OF SAID SECTION 9 A DISTANCE OF 759.03 FEET TO A CONCRETE MONUMENT; THENCE SOUTH 83 DEGREES 25 MINUTES EAST ALONG THE APPROXIMATE CENTERLINE OF THE HOBART-DEEP RIVER ROAD A DISTANCE OF 600.40 FEET TO THE POINT OF BEGINNING; THENCE CONTINUING SOUTH 83 DEGREES 25 MINUTES EAST A DISTANCE OF 295.0 FEET; THENCE SOUTH 75 DEGREES 15 MINUTES EAST A DISTANCE OF 92.30 FEET; THENCE SOUTH A DISTANCE OF 300.00 FEET; THENCE WEST A DISTANCE OF 382.31 FEET; THENCE NORTH A DISTANCE OF 357.32 FEET TO THE POINT OF BEGINNING.

ALSO EXCEPT:

PARCEL 2: THE NORTH HALF OF THE SOUTHEAST QUARTER OF SECTION 8, TOWNSHIP 35 NORTH, RANGE 7 WEST OF THE SECOND PRINCIPAL MERIDIAN, IN LAKE COUNTY, INDIANA, EXCEPTING THEREFROM THE FOLLOWING DESCRIBED PROPERTY:

THE EAST 155 FEET OF THE NORTH HALF OF THE SOUTHEAST QUARTER OF SECTION 8, TOWNSHIP 35 NORTH, RANGE 7 WEST OF THE SECOND PRINCIPAL MERIDIAN WHICH LIES SOUTH OF THE CENTERLINE OF MILLER LANE. THIS PARCEL IS ALSO KNOWN AS LOT 16 OF MILLER TERRACE SUBDIVISION (UNRECORDED).

AND PART OF THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 8, TOWNSHIP 35 NORTH, RANGE 7 WEST OF THE SECOND PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS: COMMENCING AT THE NORTHEAST CORNER OF THE SOUTHEAST QUARTER OF SAID SECTION 8; THENCE SOUTH ALONG THE EAST LINE OF SAID SECTION 667.03 FEET; THENCE DEFLECTING 90 DEGREES, 41 MINUTES TO THE RIGHT AND WESTERLY 465.67 FEET; THENCE DEFLECTING 14 DEGREES, 51 MINUTES TO THE RIGHT AND NORTHWESTERLY 164.67 FEET TO THE POINT OF BEGINNING; THENCE CONTINUING NORTHWESTERLY ALONG THE LAST DESCRIBED LINE 468 FEET; THENCE DEFLECTING 90 DEGREES 00 MINUTES TO THE LEFT AND SOUTHWESTERLY 831.7 FEET, MORE OR LESS, TO THE SOUTH LINE OF THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SAID SECTION; THENCE EAST ALONG THE SOUTH LINE OF THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SAID SECTION 482.5 FEET; THENCE NORTHEASTERLY 706.6 FEET TO THE POINT OF BEGINNING.

ALSO EXCEPT:

ANY PORTION OF THE AFOREGOING DESCRIBED PROPERTY FALLING WITHIN PUBLIC RIGHTS-OF-WAY FOR ROADWAYS PURPOSES.

ALSO EXCEPT:

ANY PORTION SUBSEQUENTLY TRANSFERRED TO SCHEMA DEVELOPMENT COMPANY, INC.

