

ODLUM FARM
UNINCORPORATED COOK COUNTY
ILLINOIS

Piedmont Realty Advisors
650 California Street
Thirtieth Floor
San Francisco, California 94108
(415) 433-4100

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I.

INTRODUCTION

PIEDMONT REALTY ADVISORS
650 CALIFORNIA STREET
THIRTIETH FLOOR
SAN FRANCISCO, CALIFORNIA 94108
415-433-4100

November 4, 1985

Mr. James J. Casserly, Jr.
Real Estate Investment Committee
United States Fidelity and Guaranty Company
100 Light Street
Baltimore, Maryland 21202

Re: Odium Farm
Unincorporated Cook County, Illinois

Dear Jim:

Enclosed for your review is an investment report on a proposed joint venture to acquire, annex, zone and sell land parcels in the Odium Farm located in unincorporated Cook County, Illinois. Piedmont Realty Advisors reviewed this project with the Real Estate Investment Committee on October 15, 1985. This report documents the presentation and provides a detailed analysis. A summary of the proposed joint venture is presented as Exhibit I-1.

THE PROPERTY - The subject property is known as the Odium Farm which occupied all four corners of the intersection of two, four lane arterials, Barrington and Schaumburg Roads, in the northwestern suburban area of Chicago. The property is currently a working corn farm in unincorporated Cook County, but is surrounded by development in three municipalities - Schaumburg, Streamwood and Hanover Park. All three Villages adjacent to the property are actively competing to annex the property and accommodate new development.

The site is generally level and the soils present minimal problems for future development. All required utilities are currently available along the property's perimeter. The property has excellent regional and local access and is within the districting of two highly rated school systems - Schaumburg and Streamwood. The proposed partnership's strategy is to annex and zone into Schaumburg with the land use plan presented in Exhibit II-9 of this report. All of the existing physical factors associated with the property and all of the current trends affecting the site combine to provide a unique investment opportunity for USF&G.

THE JOINT VENTURE PARTNER - The ownership entity proposed for this investment will be an Illinois land trust. The beneficiary will be a general partnership which will consist of an affiliate corporation of USF&G and a corporation controlled by Mel Isenstein, Jules Laser, Tony Pasquinelli and Joe Ash. Mel Isenstein and his partners are successful Chicago businessmen and possess the specific skills necessary to make this joint venture succeed. Piedmont Realty Advisors has thoroughly researched the partners' reputations in the real estate community and also checked their banking references. All reports indicate nothing but the highest regard for their abilities and integrity.

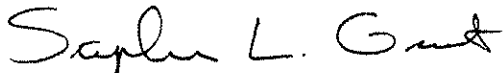
THE RISK AND RETURN - The proposed joint venture can be extremely profitable with returns in excess of 100% of invested capital highly probable. However, there is a higher level of risk associated with the proposed investment than other investment proposals presented to USF&G. The partnership will be using a land loan to leverage its equity. A land loan application has already been issued by Bank of America (see Exhibit IV-5), Security Pacific and Mellon Bank applications will follow. All of USF&G's invested capital receives a 14% annual priority return which compounds quarterly and accrues. All cash proceeds from the sale of land are first used to pay the release price of the land loan, then to pay the partners' tax liability and then distributed to USF&G until the repayment of all invested capital and partnership loans, if any. Any residual distributions are split 50/50.

The proposed equity joint venture is a unique investment opportunity, one that we feel is consistent with USF&G's investment policies and complements the overall real estate portfolio. Based on our research of the risk and return factors associated with this transaction, Piedmont Realty Advisors recommends that USF&G enter into a leveraged land joint venture on the Odlum Farm project, subject to the following conditions:

- 1) The entire section on page 6 of the recommendation letter titled "Sale of the Purchase Contract Prior to Closing" should be removed as a part of the proposed transaction.
- 2) The brokerage fee referenced on page 3 of the recommendation letter will be treated as an expense of sale and will be paid prior to the repayment of the land loan release price.

- 3) The appraisal referenced on page 6 under the section titled "Adjustment of Partnership Loans" shall occur in month 32 of the investment. This appraised value will be used to administer item C (page 5) under the section titled "Partnership Loans".
- 4) Insert the phrase ", if not otherwise generated by the partnership." at the end of the last introductory sentence under the section titled "Basic Responsibilities, A. USF&G Responsibilities".

Sincerely,

A handwritten signature in cursive script, reading "Stephen L. Grant".

Stephen L. Grant
Vice President

Exhibit I-1
RECOMMENDATION LETTER
ODLUM FARM

PIEDMONT REALTY ADVISORS
650 CALIFORNIA STREET
THIRTIETH FLOOR
SAN FRANCISCO, CALIFORNIA 94108
415-433-4100

October 18, 1985

Jules M. Laser, Esq.
Laser, Schostok, Kolman & Frank
189 West Madison
Chicago, Illinois 60602

Re: Odlum Farm
Cook County, Illinois

Dear Jules:

Piedmont Realty Advisors is prepared to recommend to its client's Investment Committee that it enter into a joint venture with Mel Isenstein et al to annex, zone and sell all or portions of the above captioned property under the following terms and conditions:

Property: The Odlum Farm

Location: The intersection of Barrington Road and Schaumburg Road in unincorporated Cook County, Illinois.

Land Area: Approximately 480 acres.

Development
Plan:

A. The joint venture intends to annex the parcel to the Village of Schaumburg and obtain approximately the following zoning allocation for the aforementioned land:

- 1) 50 acres of single family;
- 2) 275 acres of multi-family; and
- 3) 150 acres of commercial.

B. After zoning, the joint venture will sell unimproved land to third parties.

Parties: An affiliate of the United States Fidelity and Guaranty Company (USF&G) and Mel Isenstein, Jules Laser, Esq., Joe Ash, Esq. and Tony Pasquinelli as individuals or corporations controlled by them as individuals.

Fees: USF&G Commitment Fee: \$ 35,000
Richard L. Royer Consulting Fee: \$125,000

Ownership Structure: General Partnership

Basic Responsibilities: A. USF&G Responsibilities:

USF&G will make an initial capital contribution of \$50 to the land partnership. USF&G will also make the following "special capital contributions" to the land partnership:

- 1) Payment of capital which will enable the partnership to close the purchase of the land and cover all of the prorations and fees associated with closing. Note that a bank loan, generally conforming to the terms outlined in Exhibit A, will be used to cover all or a portion of these costs including consulting and commitment fees (see Exhibit B). USF&G will also place the required commitment fees for the land loan in an escrow account prior to the closing of the property.
- 2) Payment of scheduled debt service on the bank loan;
- 3) General marketing and administrative costs which will not exceed a negotiated budget amount (to be established). This money will only be spent with USF&G's approval and will not include overhead and salaries of Isenstein/Laser. Isenstein/Laser will be entitled to a

*an additional

SG
M.I.

brokerage fee for land sales to third parties. Said brokerage fee shall be equal to 2% of the purchase price of the property and shall be treated as a draw against future distributions. If there are no commissions to be paid to an outside broker (noncooperating sale) in connection with a third party land sale, Isenstein/Laser will be entitled to * cash commission (i.e. will not be offset against future distributions) equal to 2% of the purchase price of the property.

- 4) Annual real estate taxes on the land;
- 5) Reasonable closing costs for all land transactions. Reasonable closing costs will include, but will not be limited to, escrow fees, legal, title costs, revenue stamps and brokerage fees.
- 6) Any fees for annexation and zoning;
- 7) Reasonable costs (utilities, roads, bonding, etc.) associated with the sale of land to third parties. These costs may also be financed by loans from third party banks, subject to the approval of USF&G.
- 8) USF&G will provide loan guarantees that may be required by the bank loan.

B. Isenstein/Laser Responsibilities:

- 1) Isenstein/Laser will make an initial capital contribution of \$50;
- 2) Isenstein/Laser will immediately enact the annexation and zoning process with the Village of Schaumburg;

- 3) Isenstein/Laser will manage the marketing of the land to third parties. All land sales will be subject to USF&G approval. Said approval will be subject to pre-approved sales standards which will be incorporated into the joint venture agreement.
- 4) Isenstein/Laser will manage the construction of roads and the extension of utilities which may be required as a condition of third party land sales. In connection with any contingencies in land sales contracts, Isenstein/Laser will be permitted to engage necessary third party contractors subject to USF&G's approval.
- 5) Isenstein/Laser will make quarterly reports to inform USF&G of the business activities of the partnership.

Priority
Returns:

USF&G will receive a priority return of 14% per annum on the outstanding special capital which will accrue on a 360 day year and which will compound quarterly.

Partnership
Loans:

- A. USF&G will fund 100% of the cost to service the land loan and all other budgeted items for 18 months after closing of the loan.
- B. From months 19 through 36, Isenstein/Laser may either (1) make cash contributions equal to 50% of the costs to service the land loan and all other budgeted items or (2) request that USF&G loan this 50% share to the joint venture (Partnership Loan). These partnership loans will be made with an interest rate which will be the greater of (1) 14% or (2) 200 basis points over the prime rate published by the Bank of America.

- C. From months 37 through 60, Isenstein/Laser will be responsible for 50%, or their prorata share, of the project carry. Isenstein/Laser may elect to fund their 50% or prorata share of the project carry using the method outlined under Adjustment to Partnership Loans, Item C.

Repayment
of Capital:

- A. Proceeds from the sale of land to third parties will first be used to pay the land release price of the bank loan (Exhibit A).
- B. Remaining sales proceeds will then be used to pay the partners' taxes associated with the land sale.
- C. Sales proceeds in excess of the land loan release price and taxes (A and B above) will be distributed in the following priority:
- 1) Repay 100% of the return on and return of special capital balance;
 - 2) Repay 100% of interest and principal on partnership loans; and
 - 3) Pay each partner 50% of remaining proceeds of sale.

Adjustment
of Partner-
ship Loans:

The partnership loans will be due and payable at the end of the 36th month. Partnership loans can be repaid in any of the following, or a combination of the following methods:

- A. Isenstein/Laser can contribute capital to repay the partnership loans.
- B. The remaining land can be sold to repay the outstanding balances of the partnership loans.

- C. The partnership will have the remaining land appraised prior to the 36th month. Isenstein/Laser can deed their interest in that portion of the remaining land acceptable to both parties of the joint venture agreement which would be of sufficient value to repay the partnership loans. The repayment of partnership loans shall be nonrecourse as it relates to the Isenstein/Laser partnership. 32 - 11

Sale of
the Purchase
Contract Prior
to Closing:

If the purchase contract is sold prior to the land closing, the proceeds will be distributed in the following priority:

- 1) USF&G receives repayment of commitment fees forfeited to land lender;
- 2) Isenstein/Laser receives repayment of reasonable costs of sale and of the partnership;
- 3) USF&G receives a joint venture release fee of \$35,000; and
- 4) USF&G receives 50% of the net profit in excess of \$4.5 million.

Contingencies:

Engineering:

USF&G reserves the right to receive a satisfactory report from a third party soils engineer as to the property's soil conditions. This contingency will be removed within ^{21-1.} ~~30~~ ^{SC} ~~30~~ ^{gwe} days of USF&G's Investment Committee meeting.

Land Sales:

USF&G reserves the right to approve all land sales to third parties. Said approval will be subject to preapproved sales standards which will be incorporated into the joint venture agreement.

Purchase
Contract Sale:

USF&G reserves the right to approve the sale of the purchase contract before the land is purchased. Said approval will not be unreasonably withheld.

Land Loan:

USF&G reserves the right to approve the land loan.

Committee
Approval:

This letter of recommendation must be approved by the USF&G Investment Committee.

Economic Due
Diligence:

This letter of recommendation will be subject to Piedmont Realty Advisors satisfactorily completing its economic due diligence. This contingency will be removed prior to the USF&G Investment Committee meeting.

Documentation:

If this recommendation is accepted by USF&G's Investment Committee, a draft joint venture agreement will be sent within 10 working days of the meeting date.

Limitation of
Liability:

SG
M.A.

It is understood and agreed that Isenstein/Laser limitation of liability is limited to the \$35,000 good faith deposit fee referred to herein, and that the forfeiture of said deposit is the sole and exclusive remedy against Isenstein/Laser or any of its individual partners.

Return of Deposit:

SG
M.A.

In the event that Piedmont does not secure USF&G written approval to the terms of the recommended Joint Venture on or before the 8th day of November, then and in such event Isenstein/Laser may at its option request in writing the return of the good faith deposit and upon such demand said deposit shall be returned immediately and this recommended Joint Venture shall be terminated.

Jules M. Laser, Esq.
October 18, 1985
Page Eight

If the terms outlined in this letter are acceptable, please sign below and return this letter with a good faith deposit of \$35,000 by October 22, 1985. The good faith deposit should be wired to a custodial account. Please call me for wiring instructions. The good faith deposit will be returned if USF&G does not issue a commitment to enter into a joint venture agreement according to the terms of this letter, or the good faith deposit fee will be considered the joint venture commitment fee if a commitment is issued.

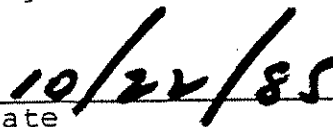
Sincerely,



Stephen L. Grant
Vice President


Signed


Title


Date

cc: Richard L. Royer

Exhibit A

PROPOSED LAND LOAN TERMS

Loan Amount: \$22,750,000

Loan Term: 36 month primary term; four, 6 month extensions.

Interest Rate: The equivalent of 100 basis points over prime.

Loan Fee: Up to 2.0 points up front. This will be included in the loan proceeds. 0.5 points for each 6 month loan extension.

Release Price: Each land sale will have a loan release price equal to 115% of the average loan basis in the land. This basis will be allocated to different parcels based on their weighted value. The following is an example:

<u>Use</u>	<u>Net Acres</u>	<u>Value/Ac.</u>	<u>Total(1)</u>	<u>Factors(2)</u>	<u>Basis(3)</u>
SF	60	\$ 60,000	\$ 3,600,000	.68571	\$ 35,455
MF	230(4)	80,000	18,400,000	.91429	47,273
Comm.	150	110,000	16,500,000	1.25714	65,000
Total	440(4)	\$87,500(5)	\$38,500,000		\$ 51,705(6)

- (1) Acres times value
- (2) Value per acre divided by weighted average total value per acre (\$87,500)
- (3) Total basis times factor
- (4) Actual parcel is 480 acres. It is anticipated that up to 40 acres will be allocated to roads and public parks.
- (5) Weighted average per acre
- (6) Average loan basis per acre (net)

Guarantees: The only guarantee requirement would be assumed by USF&G and would be a maximum of 25% of the principal balance of the loan. This guarantee would be removed when annexation and zoning is achieved.

EXHIBIT B
CLOSING BUDGET
ODLUM FARM

<u>Budget Item</u>	<u>Estimated Cost</u>
Land Purchase	
480.4529 Acres @ \$45,000/Ac.	\$ 21,620,400
Crop Compensation	
480.4529 Acres @ \$300/Ac.	144,200
Land Loan Fee	455,000
Dick Royer Fee	
(Appraisal included)	125,000
USF&G Commitment Fee	35,000
Zoning/Annexation	65,000
Engineering	25,000
Traffic Study	20,000
Title and Closing Costs	37,000
Architect/Land Planner	65,000
Attorneys Fees	80,000
Miscellaneous	80,000
Total	<u>\$ 22,751,600</u> =====

II.

THE PROPERTY

II. THE PROPERTY

A. INTRODUCTION

The proposed investment is a leveraged equity joint venture with Mel Isenstein et al. to purchase, annex and zone a 480-acre parcel of vacant land. The partnership will then sell smaller parcels to third party developers. The subject property is known as the Odlum Farm which occupies all four corners of the intersection of Barrington and Schaumburg Roads in unincorporated Cook County, Illinois (see Exhibit II-1).

B. LOCATION

The Odlum Farm is currently a working corn farm in the northwestern suburban portion of the Chicago metropolitan area (see Exhibit II-2). As shown in Exhibit II-3, the property abuts the municipalities of Streamwood (south, west and north), Hanover Park (south) and Schaumburg (east and north).

1. Adjacent Land Uses

a. Schaumburg

The Village of Schaumburg is the hub of Chicago's northwestern suburbs and one of the fastest growing municipalities in the United States. In 1960 Schaumburg had a population of 986. In 1985 the population was estimated at over 59,000 indicating an annual growth rate in excess of 17%. Commercial and industrial space located in the Village of Schaumburg is currently estimated at 27,000,000 square feet supporting over 55,000 employees. While Schaumburg contains enough vacant land to support 10 to 15 million square feet of additional office and industrial development, residential and retail land is extremely limited.

As shown in Exhibit II-4a, the Village of Schaumburg forms the subject property's eastern boundary. Surrounding development consists of existing single family (2 to 4 units per acre) and patio home (4 to 8 units per acre) neighborhoods. There is one piece of vacant land along Schaumburg Road (immediately east of the site) which is zoned for retail development but the owners have no current plans for development.

The Village of Schaumburg has expressed a strong interest in the annexation of the Odlum Farm into its municipality. This annexation would be in the partnership's best interest. The quality and level of Schaumburg services, its school system and its address are among the best of the Chicago metropolitan area.

The Village of Schaumburg has specifically requested that the partnership provide a land use plan for the Odlum Farm which includes a buffer of single family homes along the property's eastern boundary. Outside of this area the Village will give the partnership considerable flexibility in land use designation.

b. Streamwood

The Village of Streamwood forms the northern, western and southern boundaries of the subject property (see Exhibit II-4b). Surrounding land uses in Streamwood are existing single family homes to the west and patio homes or zero-lot line homes to the north. A small retail strip center is under construction to the north of the site on Barrington Road and an existing industrial park is immediately south of the site. There are two large vacant parcels along the southwestern boundary of the subject property. Both parcels are being developed with a combination of townhomes (10 units per acre), manor homes (6 units per acre) and single family homes (3 units per acre).

Streamwood is considered a bedroom community with a good school system and limited commercial and industrial development. Streamwood's major thoroughfares are Schaumburg and Barrington Roads, which bisect the subject property, Bartlett Road and Highway 59 to the east of the site and Irving Park Road/Highway 19 to the south. The Village of Streamwood has shown extreme interest in annexation. The Village Manager has offered Mel Isenstein the use of Streamwood's bonding capacity for the extension of roads, existing sewer lines, water mains and storm drainage systems to the subject property. Streamwood has also indicated a very flexible approach to the annexation and zoning process. The proposed Streamwood zoning allows a more intense use of the subject site than the zoning expected in the Village of Schaumburg. However, Streamwood's building code for residential buildings requires builders to spend \$4,000 to \$5,000 more per residential unit for soundproofing and fireproofing materials than in Schaumburg. The result would be a slightly lower residential land value in Streamwood when compared with Schaumburg.

c. Hanover Park

The Village of Hanover Park abuts the southeastern portion of the subject property. The Village is an established single family suburban community with a good supply of vacant land five miles to the south of the subject property. Hanover Park's existing housing stock is older than both Streamwood and Schaumburg and its demographics are a blue collar, entry level white collar profile. The level and quality of municipal services offered by the Village of Hanover Park falls below those offered in both Streamwood and Schaumburg. However, Hanover Park has offered bonding

capacity, waiver of annexation fees, waiver of Village property taxes for eight years and waiver of Village sales tax on commercial development for eight years. While this package of concessions has economic value, it may not compensate the partnership for the loss of value (using Schaumburg as the standard) due to annexation to Hanover Park.

2. Accessibility

The subject property has excellent regional and local access characteristics (see Exhibit II-5). Schaumburg Road is a four lane divided arterial which is the area's major east-west residential traffic feeder. Barrington Road is currently being upgraded to a four lane divided arterial running north and south between Interstate 90 and Highway 19. Barrington Road is also the principal Interstate 90 tollway interchange between Schaumburg and Elgin (to the west).

The Odlum Farm is the only single parcel in northwestern Chicago which comprises all four corners of the intersection of two major four lane arterials. This physical characteristic should increase the chances for successful residential, retail and industrial development of the site.

C. THE PROPERTY

Odlum Farm property, which is currently under contract by Mel Isenstein, is 480.5 acres of gross area and 470.2 acres of net area (see Exhibit II-6). The subject site is divided into four separate quadrants of 112.8 acres (northwest), 112.5 acres (southwest), 151.5 acres (northeast) and 93.4 acres (southeast) making it possible for a separate integrated development in each quadrant. This physical characteristic of the property enhances the marketability of smaller parcels of land to third party developers.

1. Topography

The topography of the site is gently rolling terrain ranging in elevation from 810 feet above sea level on the southwestern edge of the property to 832 feet above sea level along the northern border (see Exhibit II-7). There are topographic depressions in the northern quadrants and the southeastern quadrant. Standing water is isolated to the northern portions of the northwestern and northeastern quadrants. The subject property's rolling terrain will require minimal grading as part of the development process thereby increasing the potential for higher land values because of decreased site development costs.

2. Soil Conditions

Soil borings of the subject property were taken during September 1985. As shown in Exhibits II-8a and II-8b, soil problems are isolated to the topographic depressions of the subject property. The problem soil areas consist of peat and organic silts. Their location on the site corresponds with the four detention pond and park allocations of the development plan proposed by the partnership (see Exhibit II-9). The only soil condition problem which affects the value of the property is that area surrounding boring number three on Barrington Road. The results of boring number three indicate that approximately one acre of soil consists of four feet of fill over two feet of topsoil over four feet of organic silt.

The remainder of the site consists of a surface layer of topsoil over tough to hard silty clay containing occasional layers of granular material. The soil engineer has recommended conventional footing foundation systems for development on the site.

3. Services

a. Sewer - The Village of Schaumburg maintains a 21-inch sewer line at the southeast corner of the subject site. The line has an additional capacity of 12,000 to 15,000 persons. There is an extension of this trunk line to the north which would enable easy sewer connection for the southeast and northeast quadrants. Cowhey Associates, the consulting engineers for the partnership, concludes that 90% of the subject site can be serviced by this trunk line. They recommend that a lift station be added to the southwest quadrant for residential sewer service in that quadrant. However, it is contemplated that the southwest quadrant may consist entirely of office and research and development buildings which will require significantly less sewer capacity.

The Village of Streamwood, as part of its annexation proposal, has offered to float a bond issue to extend a 15-inch sewer trunk line to the property. The partnership may be required to pay tap-in fees to cover a portion of the cost.

b. Water - The Village of Schaumburg has an excellent water system accessible along the eastern boundary of the property. A 30-inch main line along Barrington Road will supply Lake Michigan water to the subject site. A complete water system for the site has been proposed by the Village of Schaumburg. The proposal includes a request from the Village of Schaumburg for a site to locate a two million gallon water storage tank for property water pressure.

Schaumburg would pay for the storage tank, but the partnership would have to donate up to two acres of land. The partnership or third party purchasers will most likely be responsible for all on-site water line extensions and their associated costs.

Streamwood also maintains an excellent water system. The Village of Streamwood recently completed a one million gallon water tank which is located at the southwest corner of the property and a booster pump station at the northwest corner of the property. The cost of delivering Streamwood water to the site would be less than the costs associated with delivery of Schaumburg water.

c. Storm Sewer - The Municipal Sewer District (MSD) requires approximately 1/10 of an acre of storm water storage per acre of development area. These detention ponds are incorporated into the proposed site plan (see Exhibit II-9) and are located on areas of poor soil conditions.

d. Fees and Special Costs - Schaumburg has an extensive fee schedule which is outlined in Exhibit II-10. There will be no special recaptures or charges for the off-site portion of the development, but all on-site costs must be borne by the partnership or third party developers. Sewer tap-in fees will be determined at the time of the annexation application. In a letter to Mel Isenstein, George Longmeyer, the Assistant Village Manager of Schaumburg, stated that "the donation policies enumerated herein [Exhibit II-10] are guidelines that are generally applicable to proposed development and are subject to conclusion of an appropriate Annexation Agreement and negotiation that may occur there-to".

The Village of Streamwood has been very flexible in the negotiation of fees. Cowhey Associates estimates that the total annexation and subdivision fees expected by the Village of Streamwood would not exceed \$1,200 per residential unit.

e. Summary - Both Streamwood and Schaumburg can deliver the needed services and utilities to the subject site. Piedmont Realty Advisors estimates that the costs associated with the annexation and subsequent development of the subject property in Schaumburg would be approximately \$10,000 per net acre versus approximately \$6,000 per net acre in Streamwood. However, the added value of the Schaumburg address, its school system and its liberal building code would most likely result in an average of an \$14,000 per net acre value premium over Streamwood resulting in a \$10,000 per acre net value premium in Schaumburg over Streamwood.

4. Land Use Plan

A land use plan was prepared for the partnership in October 1985 (see Exhibit II-9). The land use plan will be submitted as a part of the annexation agreement with the Village of Schaumburg (see Exhibit II-11). Preliminary investigation by Joe Ash (the zoning attorney and co-general partner) and Piedmont Realty Advisors indicate that the only obstacles for the agreement with Schaumburg seem to be the size of the single family home buffer along the eastern border of the property and the total number of acres designated commercial, industrial and retail.

As shown in Exhibit II-9, the site plan designates more intensive development on parcels adjacent to the major thoroughfares. Single family and low density residential uses have been designated for areas which border existing single family neighborhoods. The southwestern quadrant is designated office/research which is Schaumburg's most flexible zoning designation. Joe Ash will attempt to negotiate an annexation agreement which will include a clause that automatically permits "down zoning" of the parcel (particularly the southwestern quadrant) to a lower intensity use (i.e., office/ research can be changed to apartments, patio homes and single family). The summary land use designations are as follows:

<u>Zoning</u>	<u>Acres</u>	<u>Percent</u>	<u>Units</u>
Commercial	91.7	19.5%	-
Office/Research	108.1	23.0	-
Single Family	58.5	12.4	162
Patio/Manor Homes	132.9	28.3	1329
Apartments	62.9	13.4	944
Park/Detention	16.1	3.4	-
TOTAL	470.2	100.0	2435

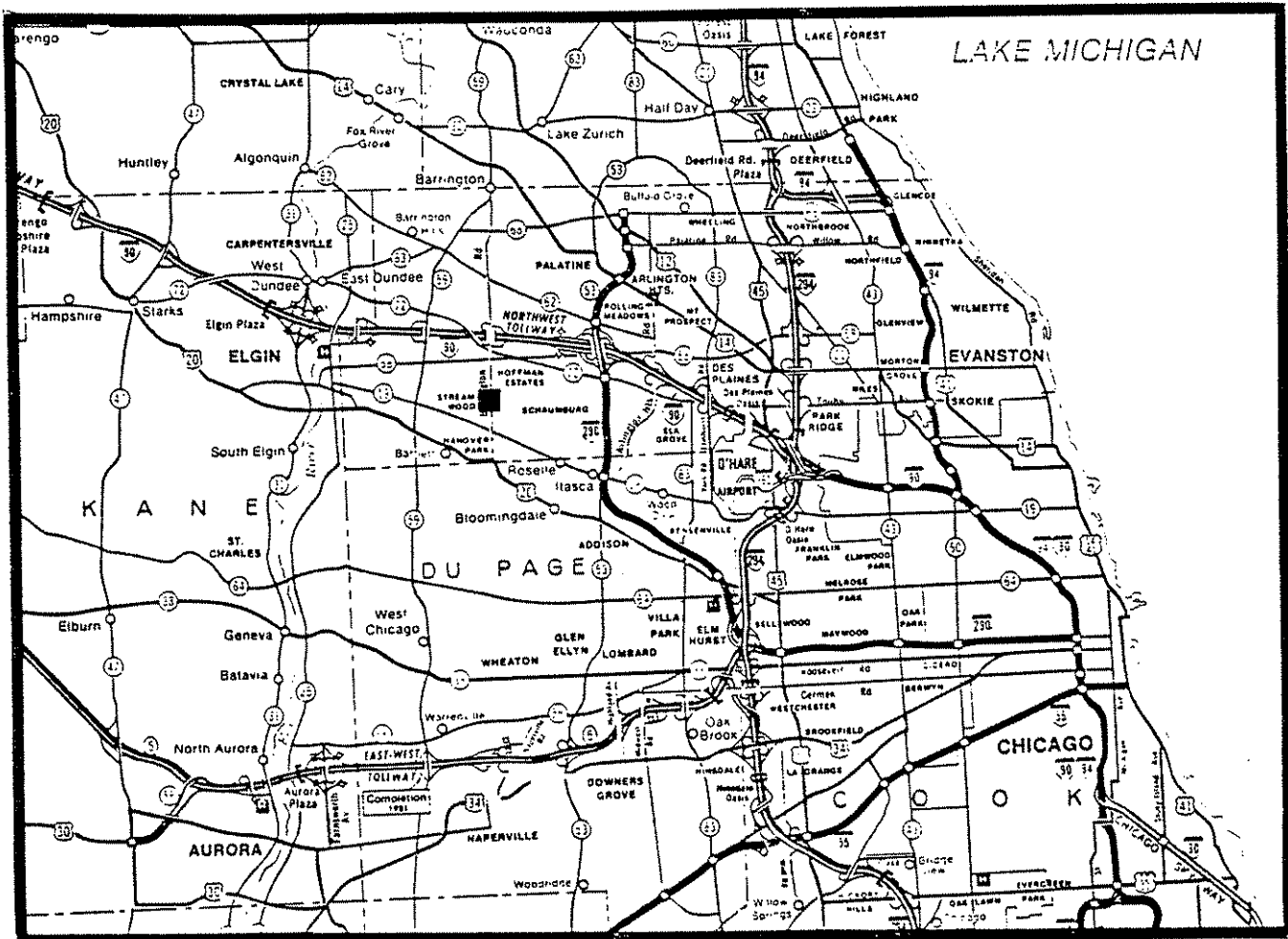
D. CONCLUSION

The Odlum Farm property is characterized primarily by its truly unique location. The site is quartered by two modern four-lane roads. One road provides access to schools and other services in Schaumburg and the other to an important interchange on the Northwest Tollway (Interstate 90). The site is surrounded by existing development and is located in one of the fastest growing upper middle income communities in the United States.

The site is generally level and the soils present minimal problems for future development. In addition, all required utilities are currently available along the property. Odlum Farm has sufficient size to allow comprehensive planning of the new development and can be segregated into marketable parcels of various sizes.

Exhibit II-2

REGIONAL LOCATION MAP ODLUM FARM



■ Subject

Exhibit II-3

ODLUM FARM

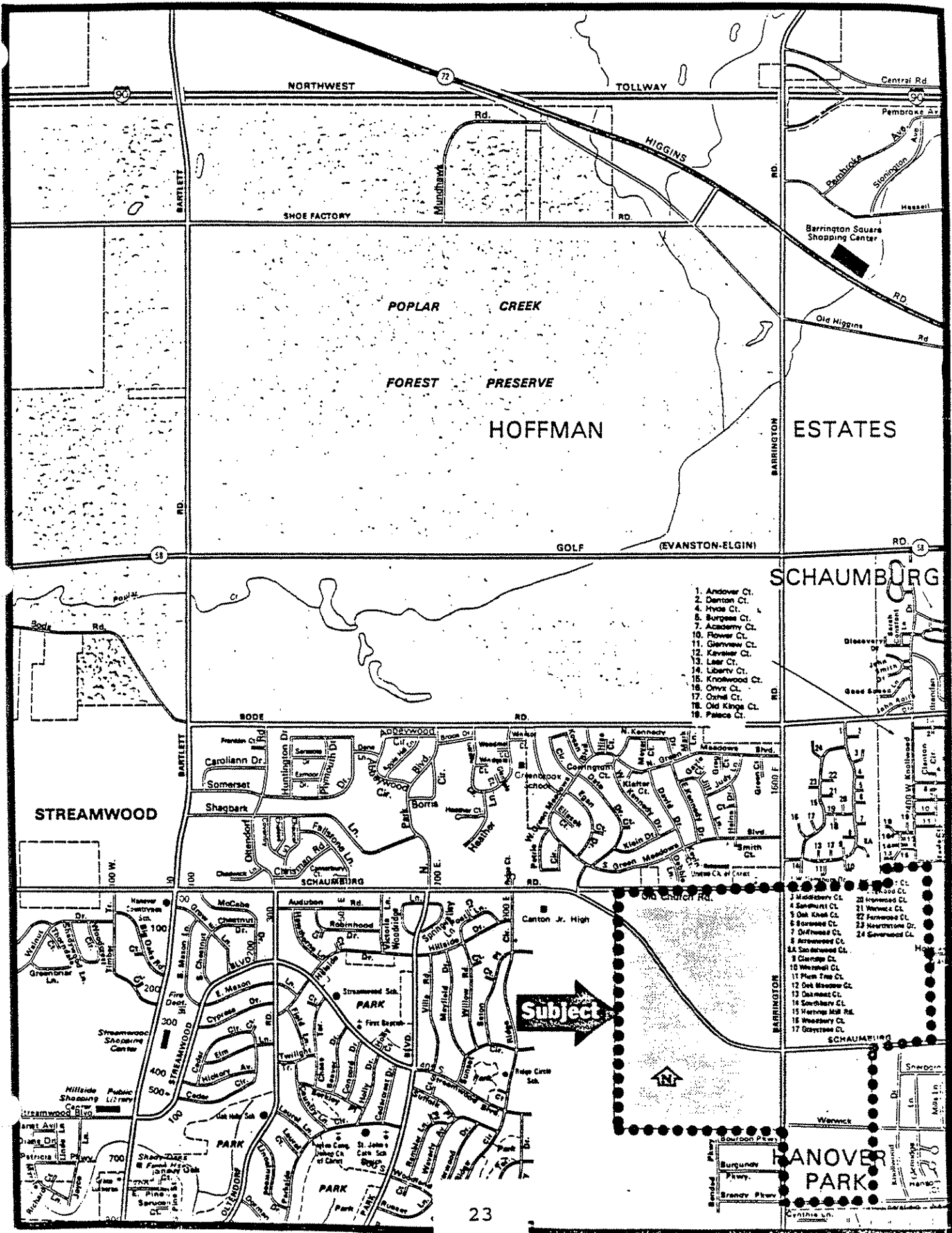


Exhibit II-4a

SURROUNDING LAND USE MAP SCHAUMBURG ODLUM FARM

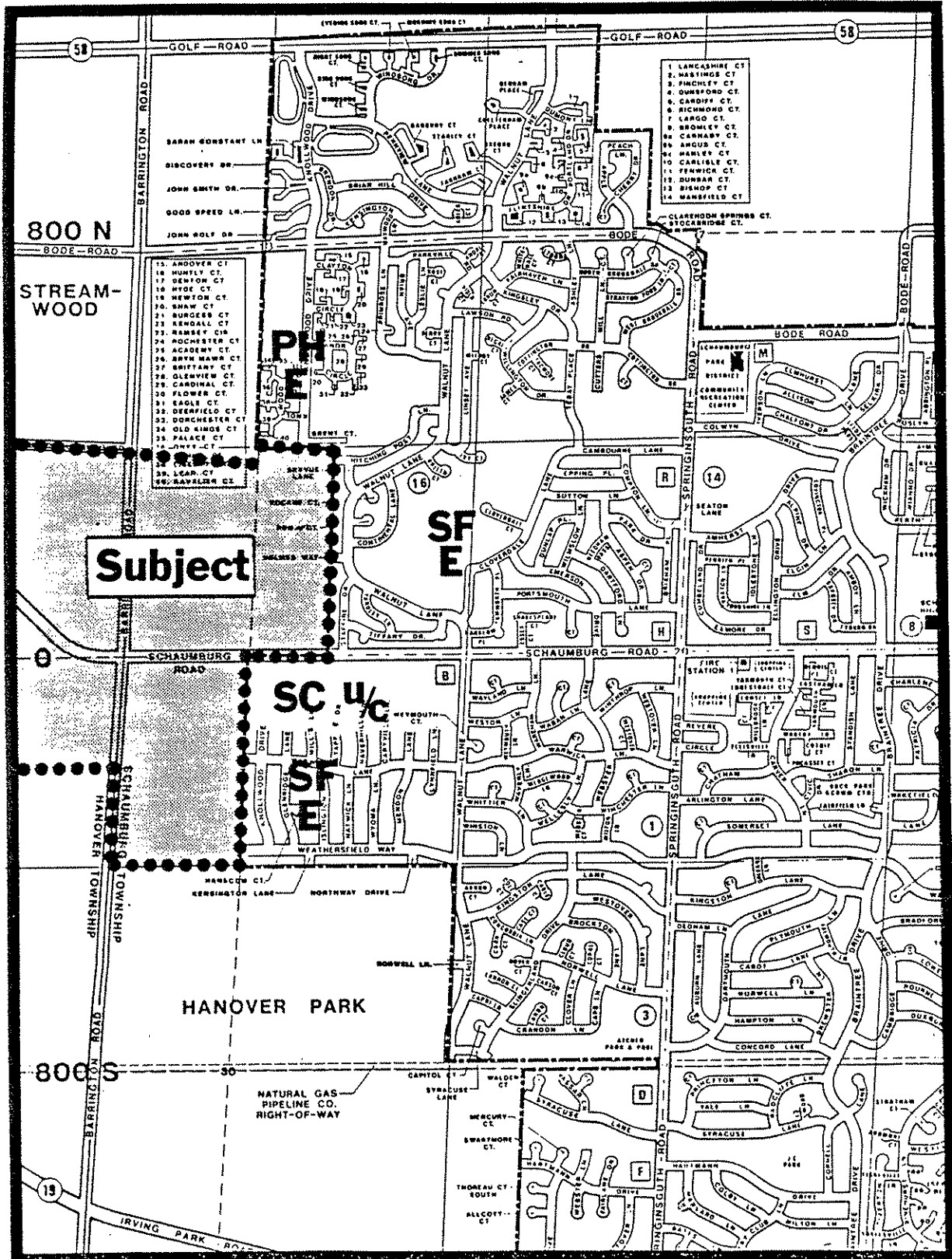
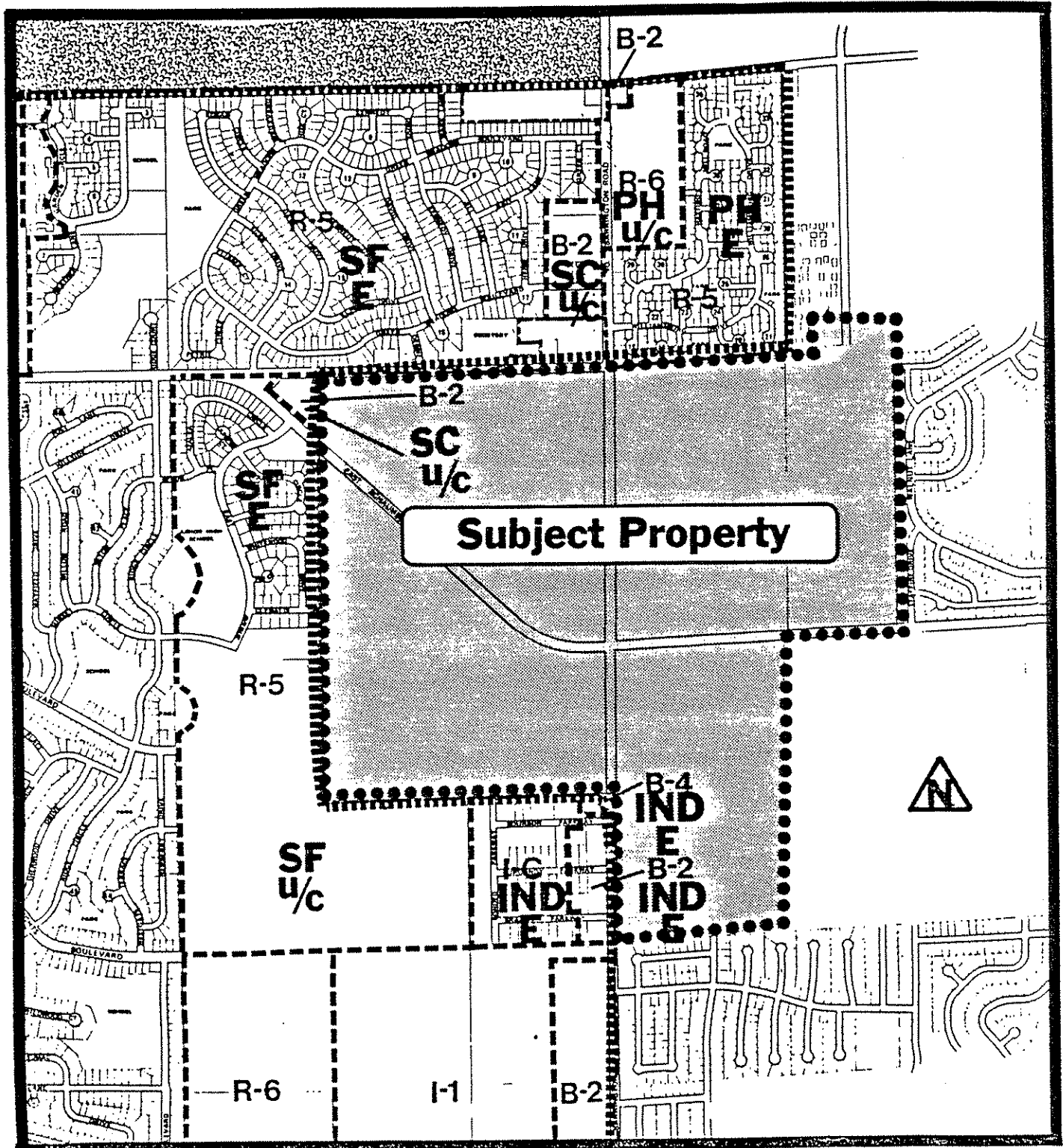


Exhibit II-4b

SURROUNDING LAND USE MAP
STREAMWOOD
ODLUM FARM



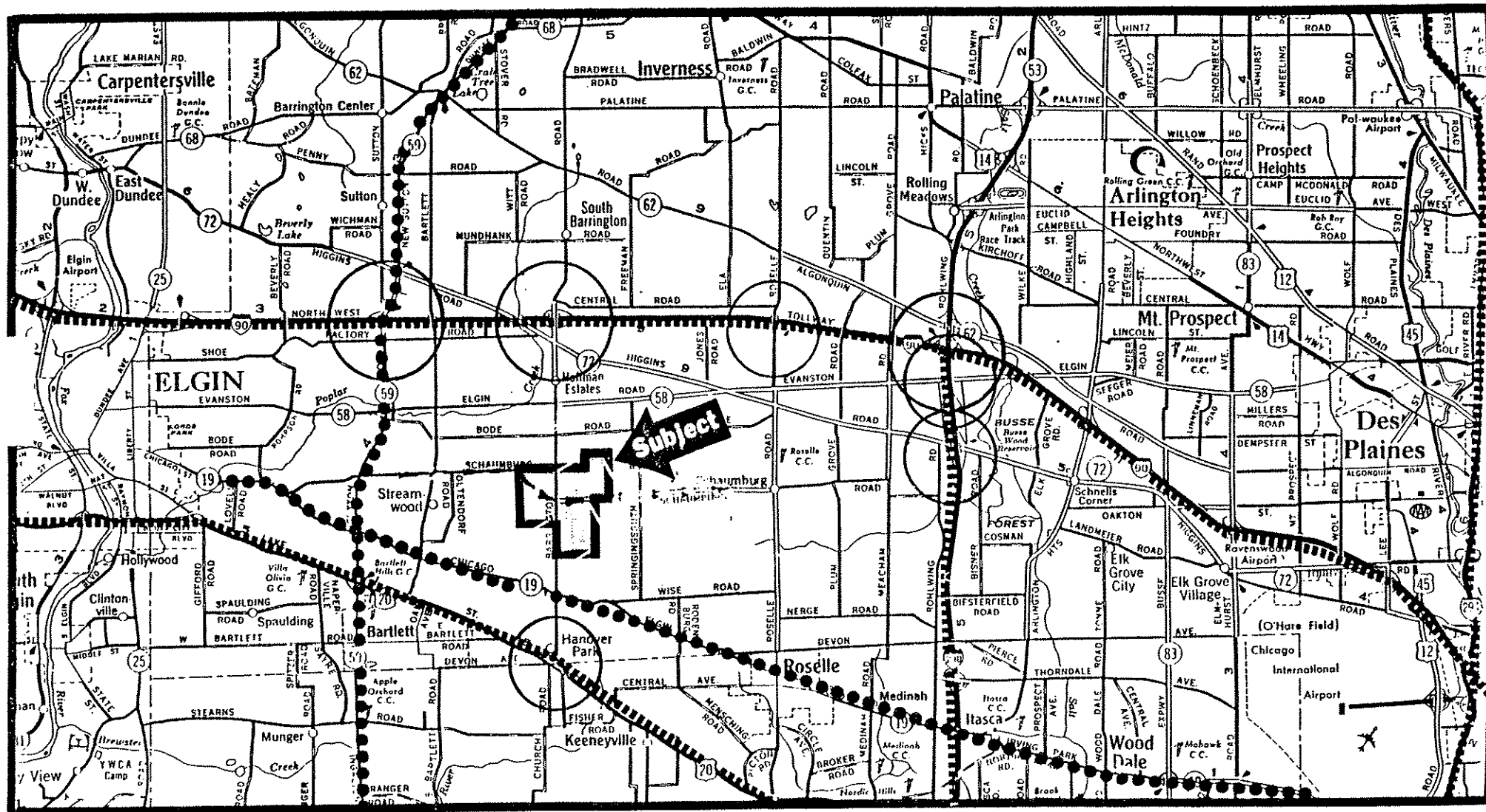
---- STREAMWOOD BOUNDARY

SC SHOPPING CENTER
SF SINGLE FAMILY
U/C UNDER CONSTRUCTION

PH PATIO HOMES
E EXISTING
IND INDUSTRIAL

Exhibit II-5

REGIONAL ACCESS MAP ODLUM FARM



- ==== FREEWAYS
- MAJOR ARTERIALS
- MAJOR INTERSECTIONS

Exhibit II-6

SITE MAP
ODLUM FARM

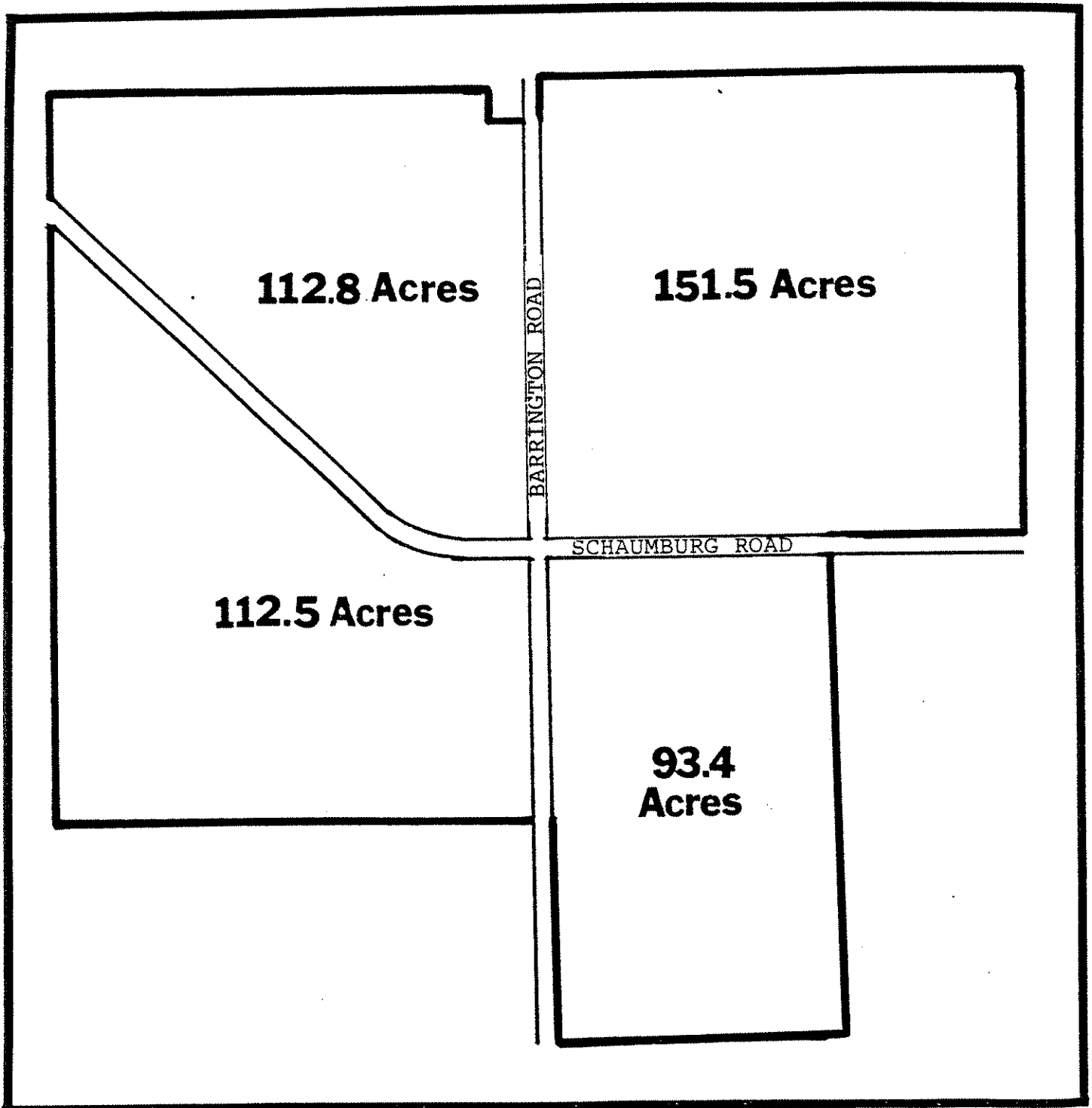


Exhibit II-7
TOPOGRAPHY MAP
ODLUM FARM

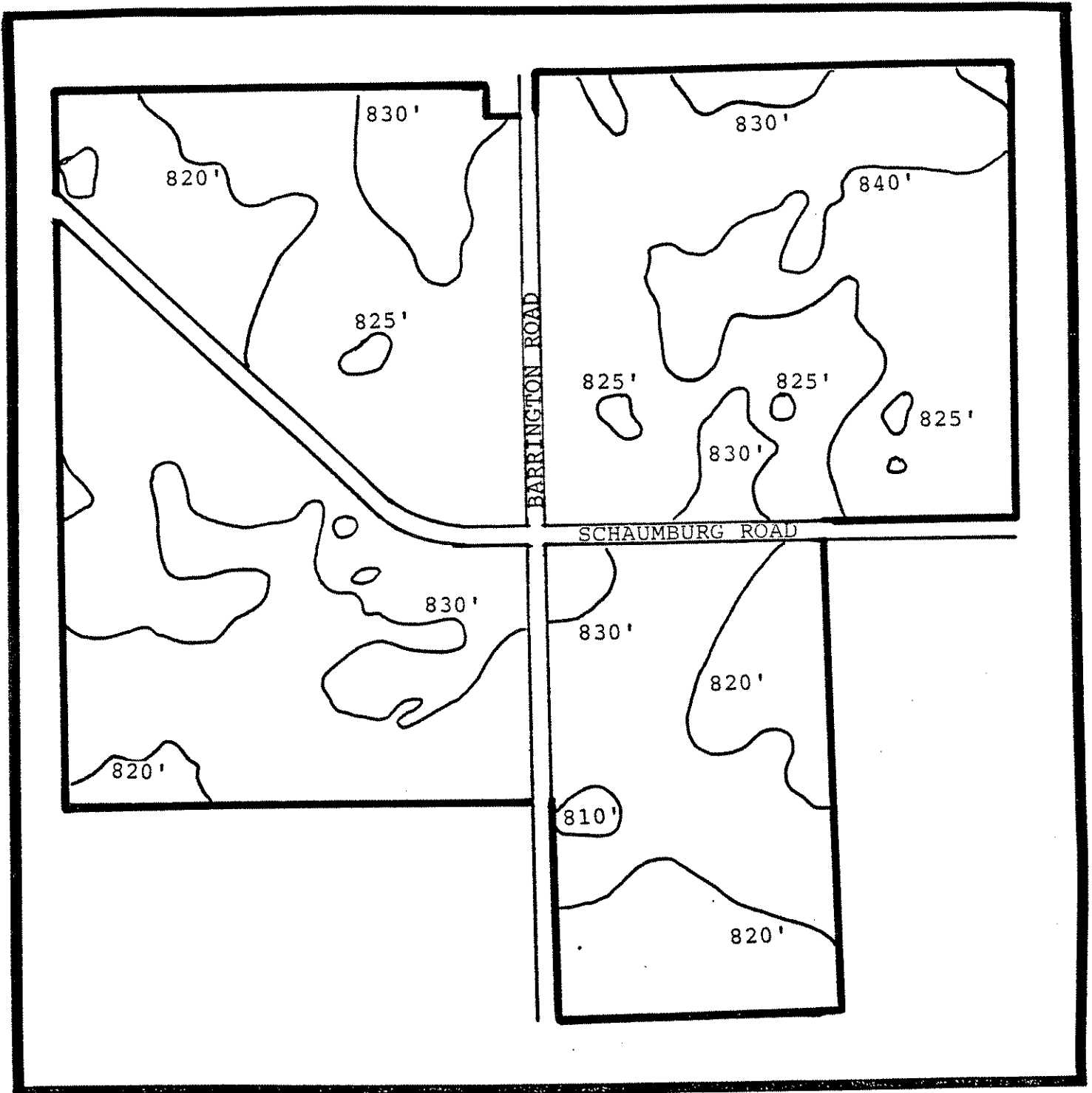
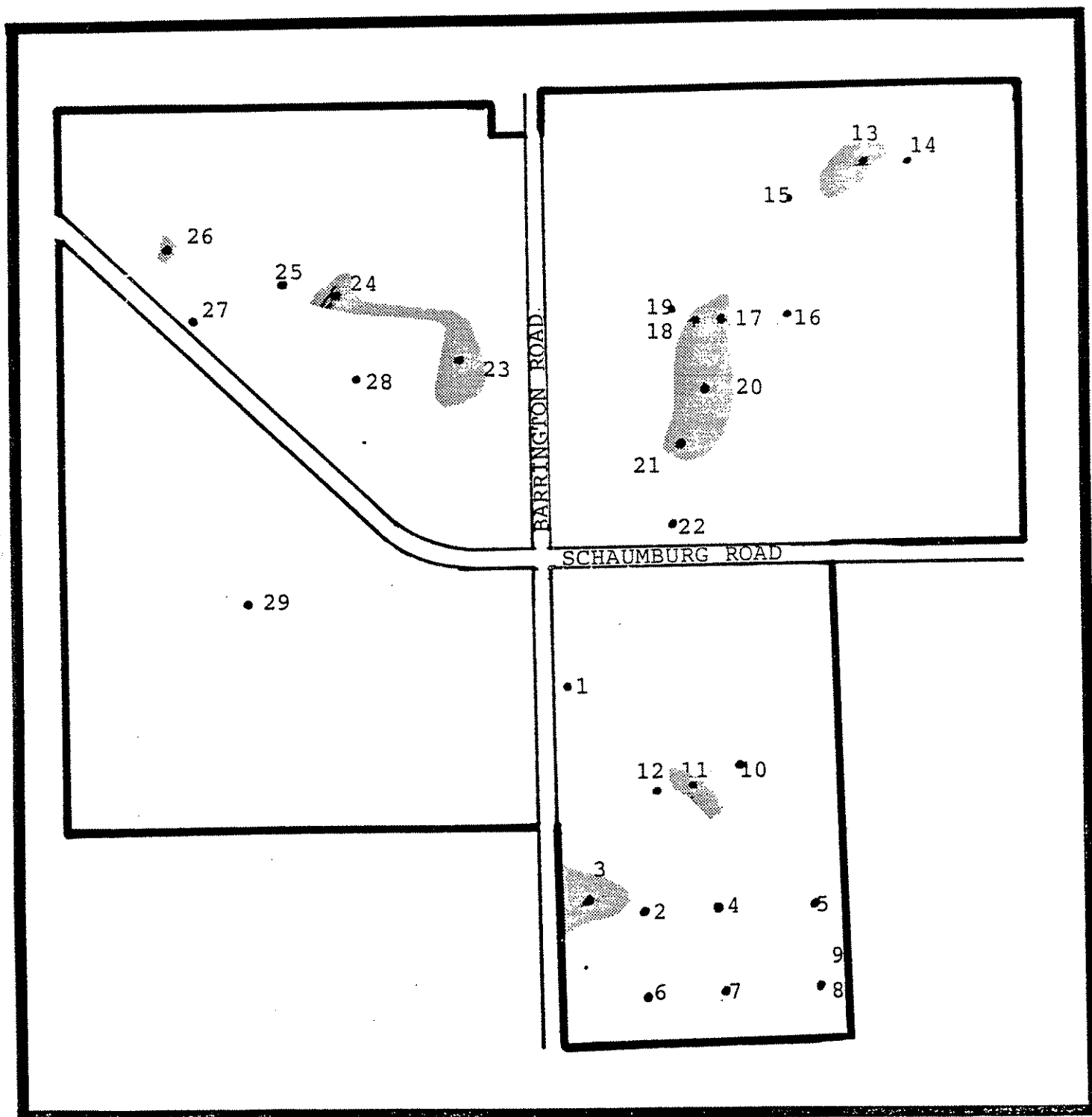


Exhibit II-8a

SOIL TEST MAP
ODLUM FARM



1-29 CORRESPOND TO
Exhibit II-8b

Exhibit II-8b

SOIL BORING SUMMARY
ODLUM FARM

Boring Number	Topsoil Depth (Ft.)	Clay Depth (Ft.)	Silt Depth (Ft.)	Sand Depth (Ft.)	Fill Depth (Ft.)	Peat Depth (Ft.)
1	1-2	2-15	-	-	-	-
2	1-2	2-7, 9-15	-	7-9	-	-
3	4-6	10-15	6-10	-	1-4	-
4	1	1-15	-	-	-	-
5	1	1-15	-	-	-	-
6	1	1-6	6-15	-	-	-
7	1-2	2-6	6-12	12-15	-	-
8	1-2	2-15	-	-	-	-
9	1-2	4-15	2-4	-	-	-
10	1-2	2-6	-	-	-	-
11	1-3	6-8	3-6	-	-	-
12	1-2	2-8	-	-	-	-
13	1-2	-	13-15	-	-	2-13
14	1	1-6	-	-	-	-
15	1-2	2-6	-	-	-	-
16	1	1-6	-	-	-	-
17	1-2	-	10-12	-	-	2-10
18	1-2	-	9-12	-	-	2-9
19	1-2	2-6	-	-	-	-
20	1-2	-	11-12	-	-	2-11
21	1-3	8-12	-	-	-	3-8
22	1	2-6	-	-	-	-
23	1-2	9-12	-	-	-	2-9
24	1-2	4-6	-	-	-	2-4
25	1	1-6	-	-	-	-
26	1-2	6-8	-	-	-	2-6
27	1	1-6	-	-	-	-
28	1	1-6	-	-	-	-
29	1	1-6	-	-	-	-

Exhibit II-9
LAND USE PLAN
ODLUM FARM

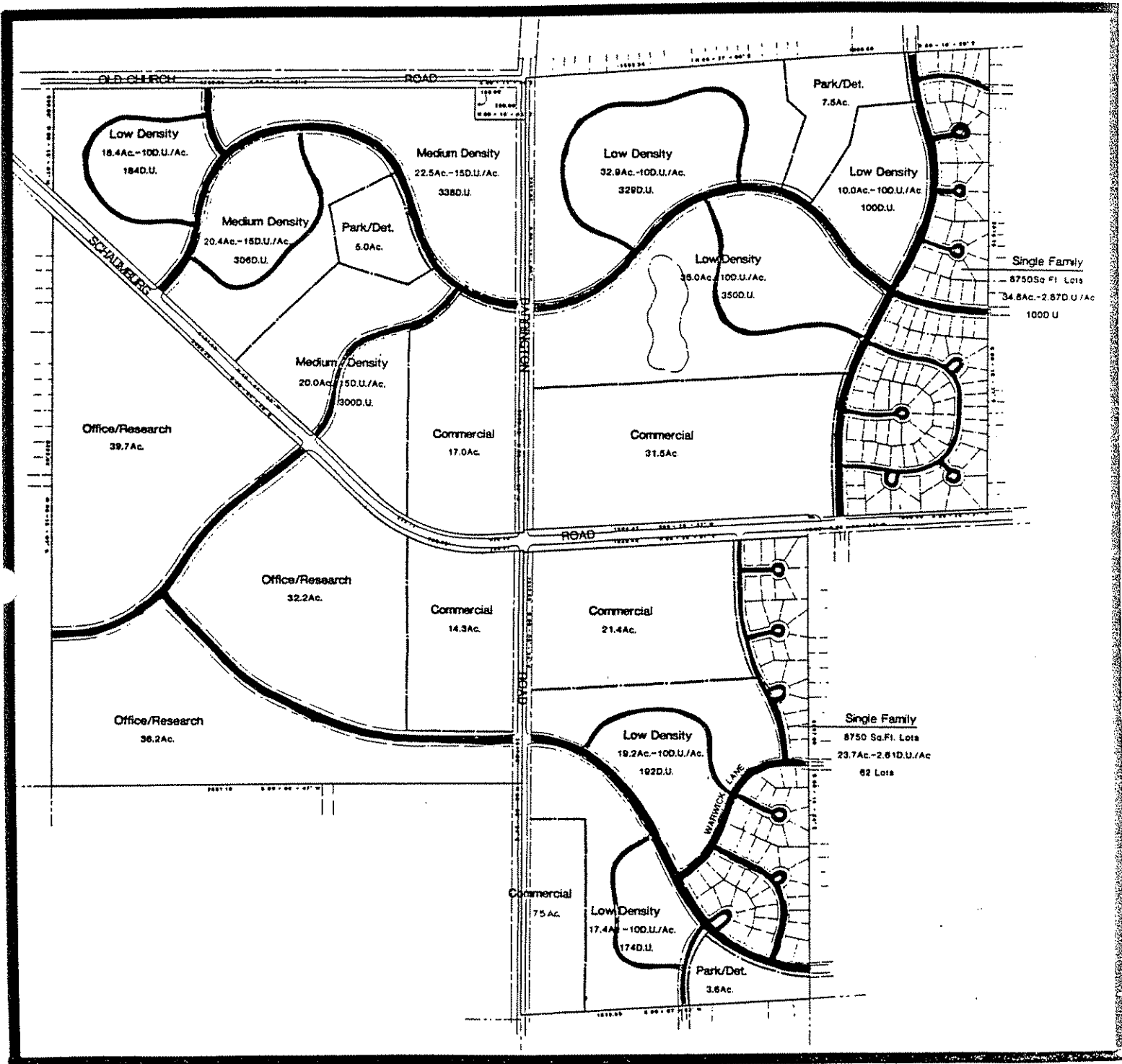


Exhibit II-10

ANNEXATION/ZONING FEES
VILLAGE OF SCHAUMBURG

<u>Fee</u>	<u>Amount</u>	<u>Fee Payable</u>
Cultural Center	\$100.00/unit	Issuance of Occupancy Permit
Medical Facility (1)	\$100.00/unit	Issuance of Occupancy Permit
Police and Fire	\$250.00/acre	Issuance of Land Development Permit
School District	\$100.00/unit	Issuance of Occupancy Permit
Park District	\$150.00/unit	Negotiable

(1) For commercial development this fee would be \$250.00 per acre.

Source: Village of Schaumburg

ANNEXATION AGREEMENT
SUMMARY AND PROCEDURES

Annexation Agreement

Definition: A contract between a land owner and a municipality which establishes the general terms of annexation and zoning.

Major Terms:

Protect Zoning - Establishes the zoning designations of the site. Also establishes the exact location of detention ponds and public parks.

Special Engineering

Requirements - Allocates the costs and responsibilities associated with the delivery of municipal utilities to the land.

Waiver of Fees - Specifies the fees associated with annexation and utilities. The partnership will attempt to also specify fees associated with development by third party buyers. The partnership will attempt to get a guarantee that the current building code will apply to all development by third party buyers.

Term - 20 years

Procedure:

- 1) A draft agreement is prepared by the partnership (Joe Ash).
- 2) The draft agreement is filed with the Schaumburg planning department.
- 3) The Schaumburg planning department conducts a staff study on the proposed land use plan and negotiates a final agreement.

- 4) The partnership requests a public hearing in front of the Board of Trustees and in front of the Zoning Board of Appeals.
- 5) The Boards make their recommendations.
- 6) The Trustees move to approve the annexation and accept the annexation agreement.

Source: Village of Schaumburg
Joe Ash, Esq.

III. THE PARTNERSHIP

III. THE PARTNERSHIP

A. INTRODUCTION

The ownership entity proposed for this investment will be an Illinois land trust. The beneficiary will be a general partnership which will consist of an affiliate corporation of USF&G and a corporation controlled by Mel Isenstein, Jules Laser, Tony Pasquinelli and Joe Ash.

B. PARTNER PROFILES

1. Mel Isenstein

Mel Isenstein is one of the best known land traders in the western suburbs of Chicago. As shown in Exhibit III-1, Mr. Isenstein has owned or controlled almost 2,000 acres of urban land in the western suburbs of the Chicago metropolitan area. With the exception of the Naperville and Carol Stream parcels, which will be held for speculation (probably for a 1988 sale), the remaining parcels are located at key intersections in the growth suburbs of Chicago.

As of September 1985, Mr. Isenstein maintained a \$3.8 million trading account at Dean Witter, \$7,825,000 in certificates of deposit and is due \$1.3 million for deferred payments scheduled in existing land purchase agreements. Mr. Isenstein valued his existing land holdings at \$4.2 million in December 1984. Piedmont Realty Advisors concludes that the \$4.2 million estimated value of his land holdings is very conservative. In summary Mr. Isenstein can certify at least \$17 million in liquidity.

The strengths Mr. Isenstein brings to the partnership are as follows:

- 1) The purchase contract at \$45,000 per acre. If zoned and annexed to Schaumburg, the subject property is worth between \$75,000 and \$80,000 per acre.
- 2) Access to potential buyers. Mr. Isenstein has sold land to all of the major homebuilders and retail developers in the northwest suburbs. The initial interest in the subject property from his contacts is significant.

2. Jules Laser, Esq.

Jules Laser is the managing partner of the law firm Laser, Schostok, Kolman & Frank. He is also the sole owner and the Chairman of the Board of the First State Bank & Trust Company of Park Ridge and the Bank of Buffalo Grove. Mr. Laser has a net worth of \$6.9 million as of June 1985. He maintains a \$512,000 securities account and values his ownership interest of the banks at 1.5 times book value.

Mr. Laser brings technical and legal skills to the partnership. He will oversee the contract negotiations associated with third party land sales and site improvements.

3. Tony Pasquinelli

Tony Pasquinelli is a partner in the Pasquinelli Company which is the holding company for regional home building subsidiaries in Chicago, Charlotte, Denver and Colorado Springs. Pasquinelli specializes in the construction of "entry level" single family homes and has completed over 3,000 units since the early 1970s. Tony's brother Bruno is a past president of the National Association of Home Builders and the Pasquinelli Company spearheaded the ARM warehousing program for GNMA.

Tony Pasquinelli brings site development skills to the partnership. He will be in charge of cost estimates, bonding and contract negotiation for the required site improvements. Piedmont Realty Advisors has surveyed Pasquinelli's current subdivision operations in Chicago and has concluded that he is capable of performing his responsibilities within the partnership.

4. Joe Ash, Esq.

Joe Ash is the managing partner of the law firm Ash, Anos Freedman & Logan. Joe specializes in zoning and annexation in the northwestern suburbs of Chicago. Mr. Ash will be in charge of negotiating the annexation agreement with the Village of Schaumburg. As previously discussed, the consummation of a comprehensive annexation agreement is critical to the success of this investment. Piedmont Realty Advisors interviewed Schaumburg and Streamwood government officials, real estate brokers and developers and concludes that Joe Ash is the best choice for annexing the subject property to Schaumburg.

C. PARTNERSHIP STRUCTURE

It is the intent of the partnership to avoid dealer status in this transaction, thereby avoiding the treatment of gain from third party transactions as ordinary income. Piedmont Realty Advisors recommends that Piper Marbury research a partnership or corporate structure which will enable USF&G to treat all gains from third party lot sales as capital gains. Jules Laser will be able to assist Piper Marbury on this matter.

The partnership structure proposed by Piedmont Realty Advisors enables USF&G to assume exclusive control of the partnership after 36 months if the project does not perform up to our expectations. The structure also contains many incentives for the active partners, while preserving the cash return aspects of the transaction for USF&G. In many respects the proposed structure is similar to that of the T.L. James transaction with Trammell Crow in New Orleans. The differences are as follows:

- 1) The Odlum partnership will be using a loan to leverage to its equity position;
- 2) The Odlum partnership is of shorter duration--60 months compared with 96 months (T.L. James);
- 3) The Odlum partnership will be a "for sale" lot sale program. The T.L. James partnership is expected to develop all or a portion of the land.

D. SUMMARY

Mel Isenstein and his partners are successful Chicago businessmen and possess the specific skills necessary to make this joint venture succeed. USF&G is needed as a financial partner because this transaction is larger than the partners feel they can handle individually. Piedmont Realty Advisors has thoroughly researched the partners' reputation in the real estate community and also checked their banking references. All reports indicate nothing but the highest regard for their abilities and integrity. Therefore, Piedmont Realty Advisors has no hesitation in recommending these partners for a joint venture on this property with USF&G.

Exhibit III-1

MEL ISENSTEIN
LIST OF PROPERTIES

- 1955 - 35 acres: Algonquin Road 2,500 feet east of Arlington Heights Road. This is now Lake Briar Wood subdivision fronting on Algonquin Road and the Kennedy Expressway, three blocks west of United Airlines.
- Sold: 1956 to Bud Trendel.
- 1955 - 40 acres: Purchased the Mall Farm on Algonquin Road at the east end of the Klehm Nursery.
- Sold: 1956 to Greta Lederer Apartments.
- 1957 - 40 acres: Purchased the northeast corner of Palatine and Quintin Road and sold to the Sanitary District for their detention basin.
- 1958 - 77 acres: Northeast corner of Palatine and Wilke which became Palatine and Route 53.
- Sold: 1973 to Romanek & Gollub.
- 1961 - 92 acres: Laufenberger Property on Rand Road just east of the intersection of Rand and Dundee.
- Sold: Pieces to Pasquinelli (for Palatine Square); National Housing Partnership; Gerald Wexler; seven acres remaining.
- 1961 - Purchased 118 acres at the intersection of Golf and Algonquin Roads, part of which was sold to JC Penny for their Treasury Store. Installed New Wilke Road through from Golf to Algonquin and sold lots to the following franchises:

McDonalds
Burger King
Pizza Hut
Kentucky Fried Chicken
Poppin Fresh Pies, etc.

Recently completed sale to Irvine Associates of 18 acres on this site for two office buildings, one of which, fronting Kennedy Expressway, has been completed.

- 1963 - Purchased 34 acres at the intersection of Rand and Dundee.
Sold to Pat Daily September 9, 1985.
- 1965 to
1966 - Purchased 98 acres on Baldwin and Rand Roads, parts of which have been sold for the Prairiebrook Apartments, Evergreen Court Apartments and to the National Housing Partnership and Pasquinelli.
- 1970 - Purchased three parcels totalling 158 acres from Campenelli Brothers in Schaumburg on Roselle and Wise, Irving and Wise etc. Parts of which have been sold and parts are under contract now to Pasquinelli.
- 1970 - Purchased 196 acres in Naperville, the northeast corner of Route 59 and North Aurora Road.
- 1971 - Purchased 52 acres at the southwest corner of Route 59 and Schaumburg Road. Sold in 1983.
- 1972 - Purchased approximately 100 acres on Lake Cook Road just east of Old 53 which was sold in 1978 and completely built out by Pasquinelli.
- 1972 - Purchased 218 acres on Will-Cook Road and 143rd Street in Orland Park. Sold in 1977.
- 1972 - Purchased approximately 50 acres on Quintin Road between Dundee Road and Northwest Highway which was sold in 1972 and developed as the Deer Grove Apartments.
- 1977 - Purchased approximately 42 acres at Busch and Weiland in Buffalo Grove, Illinois from the Klehm Estate which was sold in 1985 to Zale Builders and Anden Corporation.
- 1977 - Purchased Rob Roy Golf Course (196 acres) which was sold in 1979 to Ronald Benach of Lexington Development.
- 1978 - Purchased 40 acres in Arlington Heights on Lake Cook Road between Wilke and Schaffer Road in partnership with Pasquinelli.
- 1979 - Purchased 111 acres in Carol Stream on New Gary and Army Trail Road. Holding for speculation.
- 1985 - Optioned 23 acres Swiatek Farm on Arlington Heights Road and Biesterfield in Elk Grove Village for \$4,300,000. Sold option in August for \$1,200,000 profit.

- 1985 - Optioned 98 acres in the Russell Ray and John Damisch Farm at Busch and Weiland at \$45,000 per acre. Sold option for \$2,400,000 profit in July.
- 1985 - Optioned 75 acres on Aptakisic Road from Seidl Nursery at \$20,000 per acre. Will hold for speculation.

IV.

RISK AND RETURN

IV. RISK AND RETURN

A. INTRODUCTION

The proposed investment is a leveraged land joint venture. Unlike the T.L. James Business Park which depends on development to realize value and therefore return, the Odlum partnership will depend on annexation and zoning to create value and demand from third party developers land to produce returns.

This section of the report first justifies the purchase price and then identifies the various components of the returns and the inherent risks in a land development project.

B. VALUATION

The purchase price of the 470.2575 net acre subject property is \$21,161,587.50 or \$1.03 per square foot. Piedmont Realty Advisors has evaluated land sales with office/research, commercial/retail and residential zoning. Exhibit IV-1 is a summary of these land sales. The location of each sale is shown in Exhibit IV-2.

Piedmont Realty Advisors estimated the value of the land under the following three scenarios:

- 1) As it exists October 1985;
- 2) When it is zoned and annexed to Schaumburg; and
- 3) When it is sold in the parcels which correspond to the land use plan in Exhibit II-9.

1. October 1985 Value Estimate

The property is under contract for \$45,000 an acre or \$21,161,587.50. Mel Isenstein has received several written offers to assume his contract position. The most creditable of these is from Crow Chasewood (Trammell Crow). Crow offered Mel Isenstein a \$4,500,000 profit for his contract position payable as follows:

- 1) \$2,500,000 in cash by December 31, 1985;
- 2) \$2,000,000 payable in three, \$666,667 installments in June 1986, December 1986 and June 1987; and
- 3) Interest at 10% on all unpaid installments.

Piedmont Realty Advisors estimates that no discounting is required in this offer due to the interest payment due to the seller. Therefore, the value of the property as it exists in October 1985 is at least \$25,660,000 or \$1.25 per square foot.

2. Value Estimate When Zoned and Annexed to Schaumburg.

Piedmont Realty Advisors estimated the value of the subject property, as if it were zoned and annexed in the Village of Schaumburg, by using the comparable sale method of property valuation (see Exhibit IV-1). Based on our analysis of historical sales in the area and adjusting for the differences in the acreage of the comparable sales, Piedmont estimates the value of the subject property, when it is zoned and annexed in Schaumburg, at \$1.78 per square foot or \$36,500,000.

3. Value Estimate When Sold to Third Party Developers.

In order to realize the highest retail value for land sales to third party developers, the partnership should complete the extension of utilities and feeder roads at an estimated cost of \$6,000 per acre. The partnership has chosen this strategy for the following reasons:

- 1) The feeder roads visually segregate the 470 acres into smaller parcels.
- 2) The universe of potential buyers will increase beyond those buyers with site development capabilities;
- 3) The extension of the utilities will be accessible to all smaller parcels. This will prevent a situation where one developer can control a quadrant by virtue of his own utility extension technique.

Piedmont Realty Advisors estimated the retail value of the site by utilizing the comparable sales method outlined in Exhibit IV-1. All adjustments for utilities, size and topography used in value scenario Number 2 were eliminated and the resulting retail value estimate is shown in Exhibit IV-3. Piedmont Realty Advisors estimates the gross retail value of the subject site at \$48,500,000. The estimated net retail value after the expenditures for street and utility extensions is \$45,700,000.

4. Factors Influencing Value

a. Barrington Road Expansion

Barrington Road is currently being upgraded to a four lane divided road. The impact of this change on property values along Barrington Road has not been fully realized. This factor will have a long-term positive impact on value.

b. Development at the Interstate-90 Barrington Road Interchange

All three of the developable vacant parcels at the Interstate-90/Barrington Road interchange are currently being developed with retail, office and hotel uses. This will enhance the identity of the Barrington interchange within the northwestern suburbs. This development should have a positive impact on property values along Barrington Road.

c. Overbuilt Office Market in Schaumburg

There are over four million square feet of office space under construction in the Schaumburg office market. When this space is absorbed, there will be an increased demand for local housing and services. Given the scarcity of developable residential land in the Schaumburg area, this factor should have a long-term positive influence on the value of the residential and retail portions of the subject property.

4. Value Summary

Piedmont Realty Advisors has estimated the value of the property under the following scenarios:

1)	As is	\$25,660,000
2)	Zoned/Annexed	\$36,500,000
3)	Retail (Net)	\$45,700,000

C. RETURNS

1. General Deal Structure

The deal structure of the proposed joint venture provides that USF&G contribute special capital to pay, among other things, the scheduled debt service on the bank loan, the cost of required land improvements and general real estate taxes during the first 18 months of the investment holding period. From month 19 to the partnership termination date both partners are responsible for 50 percent of any required capital. During months 19 through 36 Isenstein/Laser may request that USF&G cover their share by making a partnership loan at the greater of 14 percent or prime plus 2 percent.

After month 36 Isenstein/Laser must make their share of any capital requirements in cash or by deeding property to USF&G (at a value established by appraisal in month 32).

USF&G will receive a priority return of 14% annually. The priority return will be compounded quarterly and will accrue to the special capital balance. As land is sold to third parties, the proceeds of the sales will be distributed in the following order:

- 1) Pay the land release price of the bank loan;
- 2) Pay the tax liability of each partner as it relates to the transaction;
- 3) Repay 100% of the return on and return of USF&G's special capital;
- 4) Repay 100% of the principal and interest on partnership loans; and
- 5) Pay each partner 50% of the remaining proceeds.

2. Closing Budget

When Mel Isenstein negotiated the extension of the land closing date from January to March 1, 1986, he also succeeded in reducing the number of acres from 480.4529 gross acres to 470.2575 net acres (the difference is that acreage taken up by Barrington Road). Piedmont Realty Advisors revised the closing budget to reflect the changes in contract terms. The revised budget is shown as Exhibit IV-4.

3. Land Loan

The partnership will be using a land loan to leverage its equity in this investment. As of November 4, 1985, the Bank of America has been the only bank to submit a land loan application (see Exhibit IV-5). Security Pacific and Mellon are preparing documentation and should submit draft applications by Friday, November 8, 1985.

The requested land loan will cover more than 100% of the estimated costs to close the Odium Farm contract. The interest rate will be 100 basis points over prime floating with interest paid quarterly in arrears. The Bank of America will also provide the partnership with alternative reference rates based on certificate of deposit (fixed rate) and LIBOR (floating rate). The interest rates of both the CD- and LIBOR-based alternatives will compare with the prime rate-based interest rate. All three banks will require USF&G to guarantee 25% of the principal balance prior to annexation and zoning and payment of interest on the loan by virtue of the "basic responsibilities" language in the joint venture agreement (Exhibit I-1).

Mel Isenstein will sign the Bank of America application on November 5, 1985. Bank of America has 15 days from that date to produce a commitment. Security Pacific and Mellon will continue to proceed with their applications despite the Bank of America's signed application.

4. Projected Absorption, Partnership Costs, Sales Proceeds

The timing and amounts of third party lot sales, debt payments, improvement costs and general real estate taxes are shown in the "base case" analysis in Exhibit IV-6. This schedule represents a moderate level of land absorption, a 4% inflation rate for property values and a fixed rate of borrowing at 10.5%. All of the costs associated with the sale of land have been incorporated into the sales prices shown in Exhibit IV-6.

5. Return Analysis

Piedmont Realty Advisors evaluated USF&G's returns under four distinct scenarios:

- 1) The base case includes Piedmont's estimate of sales which will be consummated immediately after the March 1, 1986 closing, a 4% inflation assumption and a 10.5% average interest rate;
- 2) Base case with a more aggressive absorption estimate of two years (see Exhibit IV-6a);
- 3) Base case with a more conservative absorption estimate of five years (see Exhibit IV-6b); and
- 4) Worst case includes a conservative absorption estimate of five years and a higher average interest rate - 12.5% (see Exhibit IV-6).

USF&G's yield measured by the internal rate of return calculation is somewhat meaningless due to the equity contribution/profit distribution pattern associated with this investment. The return benchmark for this investment should be profit expressed in pre-tax dollars and as a percent of total equity invested. The percent profit for each scenario is as follows:

Scenario No.	Total Distributions	Total Investment	\$ Profit	% Profit
1	\$8,045,576	\$2,104,089	\$5,941,487	282.4%
2	8,888,029	3,056,474	5,831,555	190.8
3	11,313,695	5,779,119	5,534,576	95.8
4	11,474,232	6,265,077	5,209,155	83.1

As demonstrated by the variation in the "percent profit" the return benchmark is more sensitive to changes in the rate of absorption than changes in the interest rate on the loan.

D. RISKS

1. General Deal Structure

A leveraged equity joint venture is representative of a higher risk real estate investment relative to a participating mortgage. This particular investment has additional risk because the property is currently unannexed and unzoned. However, USF&G's downside is quantifiable. If the property can be neither zoned, annexed nor sold within three years, then USF&G, as general partner, can lose \$7.2 million in interest carry, \$0.4 million in taxes paid and \$5.8 million for the loan guarantee (25% of \$23 million). The probability of a loss of this magnitude is remote because there are written offers today to purchase the property for \$25.6 million giving the partnership a \$4.5 million profit.

The proposed investment structure provides a mechanism for USF&G to assume control of the partnership in the event that the property's performance does not meet with the partnership's expectations. At the end of month 32 the subject property will be appraised. At the end of month 36 the partnership loans, if any, will be repaid by adjusting the equity ownership in the land based on the month 32 appraised value of the remaining parcels. The procedure will be followed each quarter after month 36 until all the land is sold or until USF&G owns 100% of the remaining property.

2. Market Risk

The most significant market risk is the rate at which the partnership can sell parcels of land. The sale of residential land is highly dependent on interest rates. The current interest rate environment has already created an identifiable level of pent-up demand from residential developers in northwestern Chicago. Furthermore, the above average absorption of residential units in subdivisions under construction has resulted in increased demand for retail and service center space. The short-term demand trends for residential and retail land in the Schaumburg area appear to be very positive.

3. Operational Risk

The operational risk occurs if the development is not effectively marketed and managed. All four active members of the joint venture bring unique skills to the partnership. Joe Ash is the area's premier zoning attorney; Tom Pasquinelli has the capability to manage the site improvements; Jules Laser has the legal and financial knowledge to manage the parcel sale program; and Mel Isenstein has delivered the contract on the land and will be responsible for several immediate land sales to third party developers.

4. Default Risk

There is default risk - the possibility that the joint venture could lose the property because it cannot make the mortgage payments - associated with the investment. The partnership is planning to 100% finance the purchase price of the property. There is a chance that interest payments will be made without corresponding income. However, Piedmont Realty Advisors estimates that approximately 200 acres out of the subject property will be purchased or optioned prior to the closing of the land on March 1, 1986. By the end of 1986, the land loan should have an outstanding balance of \$6 to \$8 million, with over 250 acres of land as collateral.

E. CONCLUSIONS AND RECOMMENDATIONS

The proposed joint venture can be extremely profitable, but there is a higher level of risk associated with the investment than other proposals presented to USF&G. However, the downside losses are quantifiable and their probabilities of occurrence can be estimated. The upside potential associated with this investment is excellent and the distribution of profits could occur over a relatively short time period - 36 to 60 months. In addition, the experience and expertise of the joint venture partners are positive features of the proposed transaction.

The proposed equity joint venture is a unique investment opportunity - one that we feel is consistent with USF&G's investment policies and complements the overall real estate portfolio. Based on our research of the risk and return factors of this transaction, Piedmont Realty Advisors recommends that USF&G enter into a leveraged land joint venture on the Odlum Farm property, subject to the following conditions:

- 1) The entire section on page 6 of the recommendation letter titled "Sale of the Purchase Contract Prior to Closing" should be removed as a part of the proposed transaction.

- 2) The brokerage fee referenced on page 3 of the recommendation letter will be treated as an expense of sale and will be paid prior to the repayment of the land loan release price.
- 3) The appraisal referenced on page 6 under the section titled "Adjustment of Partnership Loans" shall occur in month 32 of the investment. This appraised value will be used to administer item C (page 5) under the section titled "Partnership Loans".
- 4) Insert the phrase ", if not otherwise generated by the partnership." at the end of the last introductory sentence under the section titled "Basic Responsibilities, A. USF&G Responsibilities".

Exhibit IV-1

SUMMARY OF LAND SALES ODLUM FARM VALUATION

Map No.	Location	No. Acres	Date of Sale	Price	Price/ SF	Adjustments(1)	Adj. Price/ SF
<u>Office Research</u>							
1	NWC Central and Barrington	91.0	6/82	\$ 6,400,000	\$1.61	0.00 Utilities 0.00 Size/Zoning -0.31 Time 0.00 Topography	\$1.92
2	NWC Higgins and Barrington	15.9	2/85	\$ 3,463,020	\$5.00	-0.12 Utilities -2.50 Size/Zoning(2) 0.00 Topography +0.15 Time	\$2.53
3	SWC Higgins and Moon Lake	2.4	7/85	\$ 261,360	\$2.50	-0.12 Utilities -1.00 Size/Zoning(3) +0.16 Topography +0.05 Time	\$1.59
4	Jones/Higgins	5.7	Asking	\$ 739,649	\$3.00	-0.12 Utilities -1.00 Size/Zoning(3) 0.00 Topography 0.00 Time	\$1.88
	Subject	108.1		\$ 8,711,347			\$1.85
<u>Retail (4)</u>							
5	NEC Higgins and Barrington	30.0	4/84	\$ 3,502,224	\$2.68	-0.12 Utilities +0.25 Size/Zoning 0.00 Topography +0.25 Time	\$3.06
6	NEC Golf and Barrington	4.5	7/84	\$ 265,000	\$1.35	0.00 Utilities +1.50 Size/Zoning(5) +0.16 Topography +0.10 Time	\$3.11
7	SWC Bode and Barrington	14.5	Contract	\$ 853,663	\$1.35	0.00 Utilities +1.50 Size/Zoning(5) +0.16 Topography 0.00 Time	\$3.01

Exhibit IV-1 (Cont.)

SUMMARY OF LAND SALES ODLUM FARM VALUATION

Map No.	Location	No. Acres	Date of Sale	Price	Price/SF	Adjustments(1)	Adj. Price/SF
8	South of Golf East of Barrington	20.3	Contract	\$ 2,652,804	\$3.00	-0.12 Utilities 0.00 Size/Zoning(6) 0.00 Topography 0.00 Time	\$2.88
9	Shaumburg Road East of Barrington	7.69	5/85	\$ 1,088,673	\$3.25	-0.12 Utilities 0.00 Size/Zoning(6) 0.00 Topography 0.00 Time	\$3.12
	Subject	91.7		\$12,382,801			\$3.10

Residential (7)

10	Barrington Road North of Golf	9.3	8/84	\$ 1,215,324	\$3.00	-0.12 Utilities -1.75 Size/Zoning(8) +0.16 Topography +0.18 Time	\$1.47
11	Barrington Road North of Bode	40.7	6/84	\$ 3,256,000	\$1.84	-0.12 Utilities -0.25 Size/Zoning(9) 0.00 Topography +0.10 Time	\$1.57
12	SWC Walnut and Golf	49.7	Asking	\$ 2,485,000	\$1.15	0.00 Utilities 0.00 Size/Zoning +0.16 Topography 0.00 Time	\$1.31
13	Barrington Road South of Higgins	65.0	Asking	\$ 3,380,000	\$1.19	0.00 Utilities 0.00 Size/Zoning +0.16 Topography 0.00 Time	\$1.35
	Subject	254.3		\$15,508,231			\$1.40
	Total Subject	454.1		\$36,602,379 \$36,500,000 Say			

Exhibit IV-1 (Cont.)

SUMMARY OF LAND SALES ODLUM FARM VALUATION

Map No.	Location	No. Acres	Date of Sale	Price	Price/ SF	Adjustments(1)	Adj. Price/ SF
------------	----------	--------------	-----------------	-------	--------------	----------------	-------------------

- (1) The utility adjustment is based on an estimate of \$5,000 per acre for those parcels without utilities or roads.
The size and zoning adjustments are specific to each comparable.
The topography adjustment is based on an estimate of \$7,000 per acre for those parcels requiring grading.
The time adjustment is based on an historical rate of 6% annual inflation of land prices in the Schaumburg area.
- (2) Smaller parcel size \$0.50 per square foot, zoning permits construction of up to 450,000 square feet of office space - \$2.00 per square foot bonus.
- (3) Smaller parcel size \$1.00 per square foot.
- (4) All properties receive a \$0.25 per square foot base bonus for smaller parcel size.
- (5) \$1.25 per square foot additional adjustment for parcel size.
- (6) Location penalty of \$0.25 per square foot.
- (7) All adjustments for zoning differentials are based on the subject property at an average 9.5 units per acre.
- (8) Property was zoned at 29.0 units per acre - a \$1.75 per square foot adjustment was applied.
- (9) Property was zoned at 12.0 units per acre - a \$0.25 per square foot adjustment was applied.

Source: Piedmont Realty Advisors;
The Marling Group, Ltd.;
Baird & Warner;
Larry Mayer and Company;
Frank Karth, MAI.

Exhibit IV-2
COMPARABLE SALES MAP
ODLUM FARM

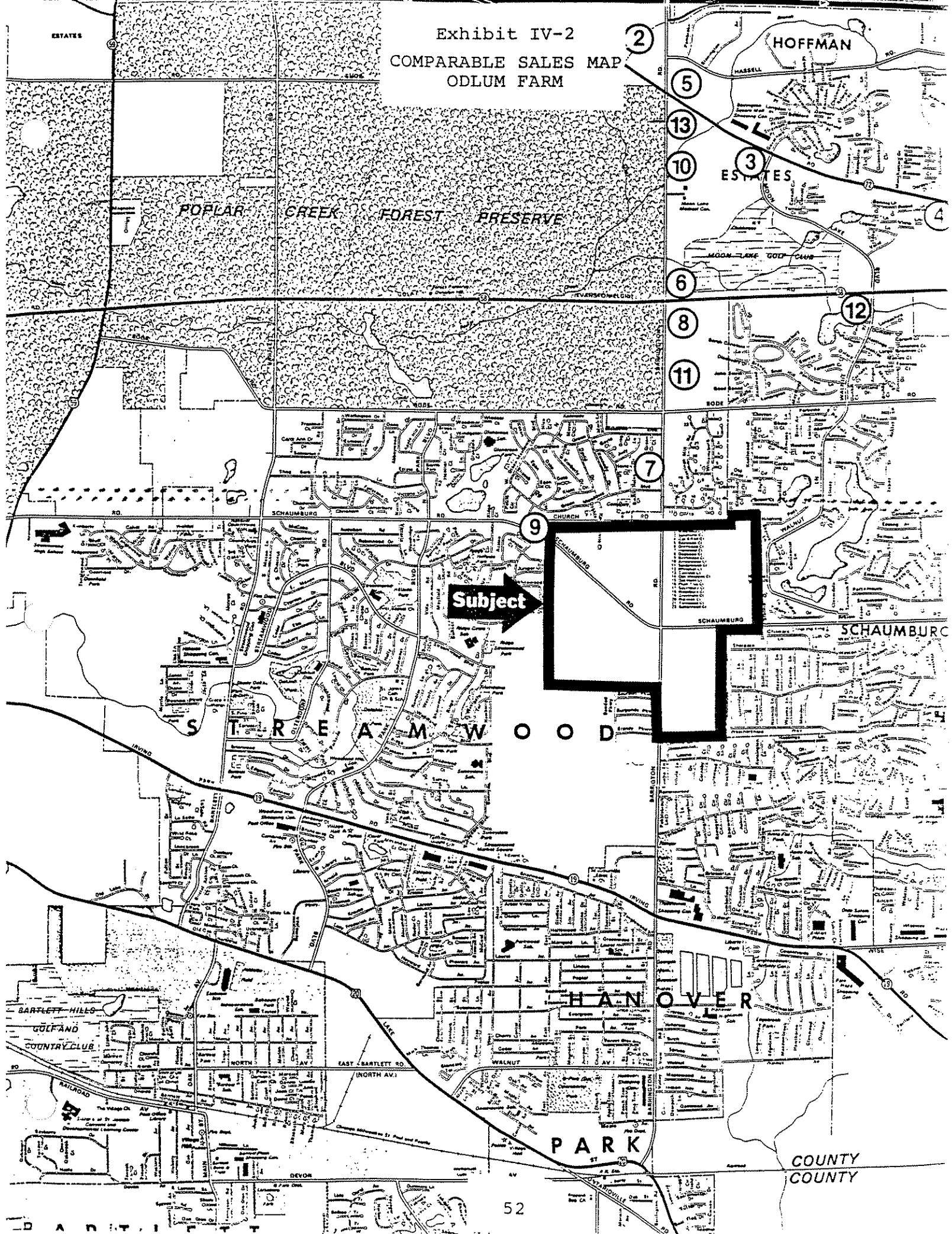


Exhibit IV-3

RETAIL VALUE ESTIMATE
ODLUM FARM

<u>Map No.</u>	<u>No. of Acres</u>	<u>Retail Value Est. PSF</u>
<u>Office/Research</u>		
1	91.0	\$ 2.54
2	15.9	3.15
3	2.4	2.71
4	5.7	3.00
Subject	Various	\$ 2.80
<u>Retail</u>		
5	30.0	\$ 3.43
6	4.5	4.02
7	14.5	3.92
8	20.3	3.00
9	7.7	3.24
Subject	Various	\$ 3.60
<u>Residential</u>		
10	9.3	\$ 2.00
11	40.7	1.94
12	49.7	1.72
13	65.0	1.76
Subject	Various	\$ 1.90

Map numbers correspond with Exhibit IV-2.

Note: All adjustments for parcel size, utilities and topography were eliminated in the estimation of the retail value of the subject property.

Source: Piedmont Realty Advisors

Exhibit IV-4

CLOSING BUDGET
ODLUM FARM

<u>Budget Item</u>	<u>Estimated Cost</u>
Land Purchase	
470.2575 Acres @ \$45,000/Ac.	\$ 21,161,600
Crop Compensation	
470.2575 Acres @ \$300/Ac.	141,100
Land Loan Fee	460,000 (1)
Dick Royer Fee	
(Appraisal included)	125,000
Reserve	580,300
USF&G Fee	35,000
Zoning/Annexation	65,000
Engineering	25,000
Traffic Study	20,000
Title and Closing Costs	37,000
Architect/Land Planner	65,000
Attorneys Fees	80,000
Joe Judah Fee	125,000 (2)
Total	\$ 23,000,000 =====

(1) Bank of America loan fee (see Exhibit IV-5).
Security Pacific and Mellon Bank are preparing loan application for \$22,750,000. The loan fee for each of these loans would be \$455,000.

(2) Brokerage fee for Bank of America loan only.

Source: Piedmont Realty Advisors

LAND LOAN APPLICATION
ODLUM FARM
LOAN APPLICATION

Date: November 1, 1985.

To: BA Mortgage and International
Realty Corporation (BA)
2049 Century Park East, Suite 3060
Los Angeles, CA 90067

The undersigned applies for a mortgage loan and requests that you issue or secure a commitment to make that loan on the following terms:

1. Type of Loan: Land acquisition loan
2. Amount: \$ 23,000,000
3. Interest Rate: 1% over Bank of America's reference rate with equivalent CD or Libor pricing.
4. Term/Schedule: 36 months
5. Extensions: Provided the loan is not otherwise in default, there shall be 4 extensions of 6 months each so long as an extension fee of .45% of the then outstanding balance is paid for each extension no later than 30 days prior to the expiration of the original term or prior extension period.
6. Funding: The loan must be opened by March 15, 1986.
7. Repayment: Interest only payable quarterly in arrears. Balance due at maturity except for the release provisions stated in paragraph 9.
8. Prepayment: Loan may be prepaid in its entirety at anytime without penalty with 30-day prior written notification.
9. Release provision: Each land sale will have a loan release price equal to 115% of the average loan basis in the land. This basis will be allocated to different parcels based on their weighted value. The following is the anticipated release price calculation:

USE	Net Acres	Value/Ac.	Total	Factors	Basis	Release
SF	58.5	\$ 45,000	\$ 2,632,500	.56118	\$ 28,115	\$32,332
Low Dens.	132.9	65,000	8,638,500	.81060	40,610	46,184
Med. Dens.	62.9	80,000	5,032,000	.99766	49,982	57,479
Comm.	91.7	125,000	11,462,500	1.55884	78,096	89,910
Off. Res.	108.1	80,000	8,648,000	.99766	49,982	57,479
Total	454.1	\$ 88,188	\$36,413,500		\$ 50,899	

10. Security: First Deed of Trust on an approximate 480-acre farm (commonly known as the Odium Farm) occupying all four corners of the intersection of Barrington and Schaumburg Rd, in unincorporated Cook County, Illinois (see Plat Plan attached).
11. Borrower: Illinois Land Trust to be formed, the beneficial owner thereof being a joint venture composed of an affiliate of United States Fidelity and Guaranty Company (USF&G) as General Partner and Mel Isenstein, Jules Laser, Esq., Joe Ash, Esq., and Tony Pasquinelli or a corporation owned and controlled by them as General Partners. The Proposed Joint Venture Agreement is attached as Exhibit A.
12. Guarantor: USF&G, as General Partner, shall be responsible for 25% of the principal balance of the loan and payment of interest until BA/BofA receives verification of zoning and annexation. Thereafter, USF&G shall be responsible for its basic duties as outlined in Exhibit A as attached hereto.
13. Fees: In consideration of the services of BA, we agree to pay BA a loan fee of \$460,000 which is earned and payable upon the delivery of the commitment requested herein.

We hereby deposit with you \$10,000 as evidence of good faith which is to be applied toward the payment of the loan fee. If the loan commitment is not delivered, the deposit is to be returned.

14. Sale of Land Purchase Contract Pre-Closing: In the event that the borrowing entity sells the security in its entirety subsequent to the issuance of the commitment and prior to the funding of the loan, to a third party through an "Arms Length" transaction not financed by BA or BofA, then BA shall receive a commitment fee of \$115,000 plus all costs incurred by BA and BofA. The balance of the commitment fee as stated in paragraph 13 above shall be waived and returned.
15. Joint Venture Agreement: BA/BofA reserves the right to approve the joint venture agreement for determining the responsibilities of the venture partners so that they conform to Exhibit A.

16. General Conditions:

- a) Documentation: We agree that the borrower will promptly execute and deliver all mortgage documents including a promissory note, mortgage or trust deed, (which will include a due on sale provision and a prohibition against secondary financing, except for land improvement loans as approved by BA/BofA, assignment of leases and rents, security agreements, USF&G guaranty agreement, a collateral assignment of beneficial interest, financing statements, and all other instruments and documents as B of A counsel shall reasonably require.
- b) Leases: All leases relating to the subject property will be assigned and delivered to BA/B of A and will be subject to your approval.
- c) Appraisal: An appraisal satisfactory to BA/B of A will be furnished at your expense. Said appraisal is to include three valuations:
- 1) As is.
 - 2) Wholesale upon zoning and annexation.
 - 3) Retail

The loan amount shall not exceed 67% of the appraised wholesale valuation upon zoning and annexation.

- d) Credit: You are authorized to order credit reports on the undersigned, principals, borrower, and guarantor. If any of the foregoing becomes the subject of a voluntary or involuntary bankruptcy or becomes insolvent, you may cancel the commitment.
- e) Financial Statement: We agree to furnish BA/B of A, within 90 days of the close of the applicable fiscal year, financial statement of the borrower and guarantor and a financial statement on the security property.
- f) Tax Escrow: If required, Borrower will make monthly deposits equal to 1/12 of the estimated annual real estate taxes.
- g) Survey: We agree to furnish BA/B of A a satisfactory survey prior to closing in conformity with ALTA survey standards.
- h) Zoning & Utilities: We agree to furnish evidence satisfactory to BA/B of A of compliance with all applicable laws, including zoning and the availability of utilities.
- i) Title Insurance: We agree to furnish a satisfactory ALTA title insurance policy with such endorsements as may be required by BA/B of A.
- j) Counsel and Other Fees: We agree to pay the fees of BA/B of A's counsel, title charges, recording fees, and other costs or expenses incurred in connection with the loan.
- k) Publicity: BA is authorized to publicize its participation in this loan.

17. Exclusive Appointment: BA's exclusive right to issue or secure a commitment will remain in effect for 15 days from the date hereof and shall continue thereafter until terminated by written notice from applicant.
18. Brokerage Fee: BA/BofA and applicant acknowledge that Joseph Judah shall receive a fee of \$125,000 to be paid out of the proceeds of this loan.
19. Budget: Attached as Exhibit B is the proposed closing budget as adjusted for the BofA loan and revised from the joint venture agreement attached as Exhibit A. All disbursements from the contingency account shall require prior approval from BA/BofA.

DATE: _____

APPLICANT:

BY: _____

ITS: _____

ADDRESS: _____

0001C

Exhibit IV-6
CASH FLOW ANALYSIS
BASE CASE 1
DDLUM FARM

456 NET ACRES

RAW LAND TO BE ANNEXED
TO SCHAUMBERG, ILL.

IRR

ERR

LOAN INFORMATION

PRIN AMT	23,000,000
BASIS / ACRE	50,439
INT. RATE	10.50%
RELEASE %	115.00%
RENEWAL PTS	0.50%

SALES VALUES

SING FAM	55,000
MULTI FAM	70,000
COMM'L	110,000

OTHER ASSUMPTIONS

INFLATION	4.00%
RESIDUAL Z	50.00%
CUM PFRD	14.00%
TAX+OVERHD	200,000
IMPROVEMENT	2,200,000

QUARTERS	12/31/85	1986	2	3	4	1987	2	3	4	1988	2	3	4	1989	2	3	4
REVENUES																	
SINGLE FAMILY																	
ACRES SOLD	60		60														
PROCEEDS	3,300,000	0	3,300,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0
MULTI FAMILY																	
ACRES SOLD	196		131		37				28								
PROCEEDS	13,798,400	0	9,170,000	0	2,590,000	0	0	0	2,038,400	0	0	0	0	0	0	0	0
COMMERCIAL																	
ACRES SOLD	200		55		17				47				81				
PROCEEDS	22,933,856	0	6,050,000	0	1,870,000	0	0	0	5,376,800	0	0	0	9,637,056	0	0	0	0
TOTAL PROCEEDS																	
		0	18,520,000	0	4,460,000	0	0	0	7,415,200	0	0	0	9,637,056	0	0	0	0
(LESS BASIS)		0	(12,407,895)	0	(2,723,684)	0	0	0	(3,782,895)	0	0	0	(4,085,526)	0	0	0	0
PROFIT		0	6,112,105	0	1,736,316	0	0	0	3,632,305	0	0	0	5,551,530	0	0	0	0
LOAN BALANCE BEGIN 1/4																	
	23,000,000	23,000,000	8,730,921	8,730,921	5,598,684	5,598,684	5,598,684	5,598,684	1,248,355	1,248,355	1,248,355	1,248,355	0	0	0	0	0
-PRINCIPAL 115.00% OF BASIS		0	(14,269,079)	0	(3,132,237)	0	0	0	(4,350,329)	0	0	0	(1,248,355)	(0)	(0)	(0)	(0)
LOAN BALANCE END 1/4																	
	23,000,000	8,730,921	8,730,921	5,598,684	5,598,684	5,598,684	5,598,684	1,248,355	1,248,355	1,248,355	1,248,355	0	0	0	0	0	0
PROJECT CASH FLOW SUMMARY																	
TOTAL PROCEEDS		0	18,520,000	0	4,460,000	0	0	0	7,415,200	0	0	0	9,637,056	0	0	0	0
LESS: INTEREST		(603,750)	(603,750)	(229,187)	(229,187)	(146,965)	(146,965)	(146,965)	(146,965)	(32,769)	(32,769)	(32,769)	(32,769)	0	0	0	0
TAXES + OVERHEAD		(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	0	0	0	0
IMPROVEMENTS		(550,000)	(550,000)	(550,000)	(550,000)												
RENEWAL POINTS														0		0	
PRINCIPAL		0	(14,269,079)	0	(3,132,237)	0	0	0	(4,350,329)	0	0	0	(1,248,355)	(0)	(0)	(0)	(0)
CASH FLOW																	
	(1,203,750)	3,047,171	(829,187)	498,576	(196,965)	(196,965)	(196,965)	2,867,906	(82,769)	(82,769)	(82,769)	8,305,931	0	0	0	0	0
USF&G INVESTMENT																	
BEGINNING BALANCE		0	1,203,750	0	829,187	359,632	569,184	786,071	1,010,549	(0)	82,769	168,436	257,100	0	0	0	0
CUM PFORD DUE		0	42,131	0	29,022	12,587	19,921	27,512	35,369	(0)	2,897	5,895	8,999	0	0	0	0
100% OF NEG		1,203,750	0	829,187	0	196,965	196,965	196,965	0	82,769	82,769	82,769	0	0	0	0	0
PROCEEDS		(0)	(1,245,881)	(0)	(498,576)	(0)	(0)	(0)	(1,045,918)	(0)	(0)	(0)	(266,099)	(0)	(0)	(0)	(0)
ENDING BALANCE		1,203,750	0	829,187	359,632	569,184	786,071	1,010,549	(0)	82,769	168,436	257,100	0	0	0	0	0
PARTICIPATION PROCEEDS		0	900,645	0	0	0	0	0	910,994	0	0	0	4,019,916	0	0	0	0
USF&G TOTAL CASH FLOWS																	
	(1,203,750)	2,146,526	(829,187)	498,576	(196,965)	(196,965)	(196,965)	1,956,912	(82,769)	(82,769)	(82,769)	4,286,015	0	0	0	0	0
INTERNAL RATE OF RETURN																	
ERR																	

Exhibit IV-6a
CASH FLOW ANALYSIS
CASE 2
ODLUM FARM

456 NET ACRES
RAW LAND TO BE ANNEXED
TO SCHAUMBERG, ILL.

IRR	ERR	LOAN INFORMATION		SALES VALUES		OTHER ASSUMPTIONS	
		PRIN AMT	23,000,000	SING FAM	55,000	INFLATION	4.00%
		BASIS / ACRE	50,439	MULTI FAM	70,000	RESIDUAL %	50.00%
		INT. RATE	10.50%	COMM'L	110,000	CUM PFRRD	14.00%
		RELEASE %	115.00%			TAX+OVERHD	200,000
		RENEWAL PTS	0.50%			IMPROVEMENT	2,200,000

QUARTERS	12/31/85	1986	2	3	4	1987	2	3	4	1988	2	3	4	1989	2	3	4
REVENUES																	
SINGLE FAMILY																	
ACRES SOLD	60		60														
PROCEEDS	3,300,000	0	3,300,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0
MULTI FAMILY																	
ACRES SOLD	196		131		65												
PROCEEDS	13,720,000	0	9,170,000	0	4,550,000	0	0	0	0	0	0	0	0	0	0	0	0
COMMERCIAL																	
ACRES SOLD	200		55		145												
PROCEEDS	22,000,000	0	6,050,000	0	15,950,000	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL PROCEEDS		0	18,520,000	0	20,500,000	0	0	0	0	0	0	0	0	0	0	0	0
(LESS BASIS)		0	(112,407,895)	0	(10,592,105)	0	0	0	0	0	0	0	0	0	0	0	0
PROFIT		0	6,112,105	0	9,907,895	0	0	0	0	0	0	0	0	0	0	0	0
LOAN BALANCE BEGIN 1/4		23,000,000	23,000,000	8,730,921	8,730,921	0	0	0	0	0	0	0	0	0	0	0	0
-PRINCIPAL 115.00% OF BASIS		0	(14,269,079)	0	(8,730,921)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
LOAN BALANCE END 1/4		23,000,000	8,730,921	8,730,921	0	0	0	0	0	0	0	0	0	0	0	0	0
PROJECT CASH FLOW SUMMARY																	
TOTAL PROCEEDS		0	18,520,000	0	20,500,000	0	0	0	0	0	0	0	0	0	0	0	0
LESS: INTEREST		(603,750)	(603,750)	(229,187)	(229,187)	0	0	0	0	0	0	0	0	0	0	0	0
TAXES + OVERHEAD		(50,000)	(50,000)	(50,000)	(50,000)	0	0	0	0	0	0	0	0	0	0	0	0
IMPROVEMENTS		(550,000)	(550,000)	(550,000)	(550,000)												
RENEWAL POINTS																	
PRINCIPAL		0	(14,269,079)	0	(8,730,921)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
CASH FLOW		(1,203,750)	3,047,171	(829,187)	10,939,892	0	0	0	0	0	0	0	0	0	0	0	0
USF16 INVESTMENT																	
BEGINNING BALANCE		0	1,203,750	0	829,187	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
CUM PFRRD DUE		0	42,131	0	29,822	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
100% OF NEG		1,203,750	0	829,187	0	0	0	0	0	0	0	0	0	0	0	0	0
PROCEEDS		(0)	(1,245,881)	(0)	(858,208)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
ENDING BALANCE		1,203,750	0	829,187	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
PARTICIPATION PROCEEDS		0	900,645	0	5,040,842	0	0	0	0	0	0	0	0	0	0	0	0
USF16 TOTAL CASH FLOWS		(1,203,750)	2,146,526	(829,187)	5,899,050	0	0	0	0	0	0	0	0	0	0	0	0
INTERNAL RATE OF RETURN	ERR																

Exhibit 1V-6b
CASH FLOW ANALYSIS
CASE 3
ODLUM FARM

456 NET ACRES
RAW LAND TO BE ANNEXED
TO SCHAUMBERG, ILL.

IRR	98.69%	LOAN INFORMATION		SALES VALUES		OTHER ASSUMPTIONS	
		PRIN AMT	23,000,000	SING FAM	55,000	INFLATION	4.00%
		BASIS / ACRE	50,439	MULTI FAM	70,000	RESIDUAL %	50.00%
		INT. RATE	10.50%	COMM'L	110,000	CUM PFRRD	14.00%
		RELEASE %	115.00%			TAX+OVERHD	200,000
		RENEWAL PTS	0.50%			IMPROVEMENT	2,200,000

QUARTERS	12/31/85	1986	2	3	4	1987	2	3	4	1988	2	3	4	1989	2	3	4	1990	2	3	4	1991	2	3	4
REVENUES																									
SINGLE FAMILY																									
ACRES SOLD	60		60																						
PROCEEDS	3,300,000	0	3,300,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
MULTI FAMILY																									
ACRES SOLD	196		131																						
PROCEEDS	13,902,000	0	9,170,000	0	0	0	0	0	4,732,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
COMMERCIAL																									
ACRES SOLD	200		55																						
PROCEEDS	24,211,977	0	6,050,000	0	0	0	0	0	7,321,600	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	10,840,377
TOTAL PROCEEDS		0	18,520,000	0	0	0	0	0	12,053,600	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	10,840,377
(LESS BASIS)		0	(14,269,079)	0	0	0	0	0	(17,482,566)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	(4,085,526)
PROFIT		0	6,112,105	0	0	0	0	0	5,571,021	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	6,754,851
LOAN BALANCE BEGIN 1/4		23,000,000	23,000,000	8,730,921	8,730,921	8,730,921	8,730,921	8,730,921	8,730,921	1,248,333	1,248,333	1,248,333	1,248,333	1,248,333	1,248,333	1,248,333	1,248,333	1,248,333	1,248,333	1,248,333	1,248,333	1,248,333	1,248,333	1,248,333	1,248,333
-PRINCIPAL		0	(14,269,079)	0	0	0	0	0	(17,482,566)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	(11,248,333)
LOAN BALANCE END 1/4		23,000,000	8,730,921	8,730,921	8,730,921	8,730,921	8,730,921	8,730,921	1,248,333	1,248,333	1,248,333	1,248,333	1,248,333	1,248,333	1,248,333	1,248,333	1,248,333	1,248,333	1,248,333	1,248,333	1,248,333	1,248,333	1,248,333	1,248,333	0
PROJECT CASH FLOW SUMMARY																									
TOTAL PROCEEDS		0	18,520,000	0	0	0	0	0	12,053,600	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	10,840,377
LESS: INTEREST		(603,750)	(603,750)	(229,187)	(229,187)	(229,187)	(229,187)	(229,187)	(229,187)	(32,769)	(32,769)	(32,769)	(32,769)	(32,769)	(32,769)	(32,769)	(32,769)	(32,769)	(32,769)	(32,769)	(32,769)	(32,769)	(32,769)	(32,769)	(32,769)
TAXES + OVERHEAD		(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)
IMPROVEMENTS		(550,000)	(550,000)	(550,000)	(550,000)																				
RENEWAL POINTS																									
PRINCIPAL		0	(14,269,079)	0	0	0	0	0	(17,482,566)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	(11,248,333)
CASH FLOW		(11,203,750)	3,047,171	(829,187)	(829,187)	(279,187)	(279,187)	(279,187)	4,291,848	(82,769)	(82,769)	(82,769)	(82,769)	(89,011)	(82,769)	(89,011)	(82,769)	(89,011)	(82,769)	(89,011)	(82,769)	(89,011)	(82,769)	(89,011)	9,509,253
USFIS INVESTMENT																									
BEGINNING BALANCE		0	1,203,750	0	829,187	1,687,395	2,025,640	2,375,724	2,738,062	0	82,769	168,436	257,100	348,868	450,089	548,612	656,824	762,583	878,284	991,793	1,115,517	1,237,330	1,369,647	1,500,354	1,641,878
CUM PFRRD DUE		0	42,131	0	29,022	59,059	70,897	83,150	95,832	0	2,897	5,995	8,999	12,210	15,753	19,201	22,989	26,690	30,740	34,713	39,043	43,307	47,938	52,512	57,466
100% OF RES		1,203,750	0	829,187	829,187	279,187	279,187	279,187	0	82,769	82,769	82,769	82,769	89,011	82,769	89,011	82,769	89,011	82,769	89,011	82,769	89,011	82,769	89,011	0
PROCEEDS		(0)	(11,245,081)	(0)	(0)	(0)	(0)	(0)	(12,833,894)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(1,699,344)
ENDING BALANCE		1,203,750	0	829,187	1,687,395	2,025,640	2,375,724	2,738,062	0	82,769	168,436	257,100	348,868	450,089	548,612	656,824	762,583	878,284	991,793	1,115,517	1,237,330	1,369,647	1,500,354	1,641,878	(0)
PARTICIPATION PROCEEDS		0	900,645	0	0	0	0	0	728,977	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	3,904,955
USFIS TOTAL CASH FLOWS		(11,203,750)	2,146,526	(829,187)	(829,187)	(279,187)	(279,187)	(279,187)	3,562,871	(82,769)	(82,769)	(82,769)	(82,769)	(89,011)	(82,769)	(89,011)	(82,769)	(89,011)	(82,769)	(89,011)	(82,769)	(89,011)	(82,769)	(89,011)	5,604,298
INTERNAL RATE OF RETURN		98.69%																							

09

Exhibit IV-6c
CASH FLOW ANALYSIS
CASE 4
ODLUM FARM

456 NET ACRES
RAW LAND TO BE ANNEXED
TO SCHAUMBERG, ILL.

IRR 75.92%

LOAN INFORMATION

PRIN AMT	23,000,000
BASIS / ACRE	50,439
INT. RATE	12.50%
RELEASE %	115.00%
RENEWAL PTS	0.50%

SALES VALUES

SING FAM	55,000
MULTI FAM	70,000
COMM'L	110,000

OTHER ASSUMPTIONS

INFLATION	4.00%
RESIDUAL X	50.00%
CUM PFRRO	14.00%
TAX+OVERHD	200,000
IMPROVEMENT	2,200,000

	QUARTERS	12/31/85	1986	2	3	4	1987	2	3	4	1988	2	3	4	1989	2	3	4	1990	2	3	4	1991	2	3	4
REVENUES																										
SINGLE FAMILY																										
ACRES SOLD	60	60																								
PROCEEDS	3,300,000	0	3,300,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
MULTI FAMILY																										
ACRES SOLD	196	131								65																
PROCEEDS	13,902,000	0	9,170,000	0	0	0	0	0	0	4,732,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
COMMERCIAL																										
ACRES SOLD	200	55								64															81	
PROCEEDS	24,211,977	0	4,050,000	0	0	0	0	0	0	7,321,600	0	0	0	0	0	0	0	0	0	0	0	0	0	0	10,840,377	
TOTAL PROCEEDS		0	18,520,000	0	0	0	0	0	0	12,053,600	0	0	0	0	0	0	0	0	0	0	0	0	0	0	10,840,377	
(LESS BASIS)		0	(112,407,895)	0	0	0	0	0	0	(6,506,579)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	(4,095,526)	
PROFIT		0	6,112,105	0	0	0	0	0	0	5,547,021	0	0	0	0	0	0	0	0	0	0	0	0	0	0	6,754,851	
LOAN BALANCE BEGIN 1/4		23,000,000	23,000,000	8,730,921	8,730,921	8,730,921	8,730,921	8,730,921	8,730,921	8,730,921	1,248,355	1,248,355	1,248,355	1,248,355	1,248,355	1,248,355	1,248,355	1,248,355	1,248,355	1,248,355	1,248,355	1,248,355	1,248,355	1,248,355	1,248,355	
*PRINCIPAL 115.00% OF BASIS		0	(114,269,079)	0	0	0	0	0	0	(7,482,566)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
LOAN BALANCE END 1/4		23,000,000	8,730,921	8,730,921	8,730,921	8,730,921	8,730,921	8,730,921	8,730,921	1,248,355	1,248,355	1,248,355	1,248,355	1,248,355	1,248,355	1,248,355	1,248,355	1,248,355	1,248,355	1,248,355	1,248,355	1,248,355	1,248,355	1,248,355	0	
PROJECT CASH FLOW SUMMARY																										
TOTAL PROCEEDS		0	18,520,000	0	0	0	0	0	0	12,053,600	0	0	0	0	0	0	0	0	0	0	0	0	0	0	10,840,377	
LESS: INTEREST		(718,750)	(718,750)	(272,841)	(272,841)	(272,841)	(272,841)	(272,841)	(272,841)	(39,011)	(39,011)	(39,011)	(39,011)	(39,011)	(39,011)	(39,011)	(39,011)	(39,011)	(39,011)	(39,011)	(39,011)	(39,011)	(39,011)	(39,011)		
TAXES + OVERHEAD		(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)		
IMPROVEMENTS		(550,000)	(550,000)	(550,000)	(550,000)	(550,000)	(550,000)	(550,000)	(550,000)	(550,000)	(550,000)	(550,000)	(550,000)	(550,000)	(550,000)	(550,000)	(550,000)	(550,000)	(550,000)	(550,000)	(550,000)	(550,000)	(550,000)	(550,000)		
RENEWAL POINTS															(6,242)		(6,242)		(6,242)		(6,242)		(6,242)		(6,242)	
PRINCIPAL		0	(114,269,079)	0	0	0	0	0	0	(7,482,566)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	(11,248,355)	
CASH FLOW		(1,318,750)	2,932,171	(872,841)	(872,841)	(322,841)	(322,841)	(322,841)	4,248,193	(89,011)	(89,011)	(89,011)	(89,011)	(95,253)	(89,011)	(95,253)	(89,011)	(95,253)	(89,011)	(95,253)	(89,011)	(95,253)	(89,011)	(95,253)	9,503,011	
USF&G INVESTMENT																										
BEGINNING BALANCE		0	1,318,750	0	872,841	1,776,232	2,161,241	2,559,726	2,972,158	0	89,011	181,138	276,489	375,177	483,561	589,497	705,382	819,081	943,002	1,065,018	1,197,547	1,328,472	1,470,221	1,610,690	1,762,317	
LOAN PFRD DUE		0	46,156	0	30,549	62,168	75,643	89,590	104,026	0	3,115	6,340	9,677	13,131	16,925	20,632	24,688	28,668	33,005	37,276	41,914	46,497	51,458	56,374	61,681	
100% OF IEB		1,318,750	0	872,841	872,841	322,841	322,841	322,841	0	89,011	89,011	89,011	89,011	95,253	89,011	95,253	89,011	95,253	89,011	95,253	89,011	95,253	89,011	95,253	0	
PROCEEDS		(0)	(1,364,906)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(1,823,999)	
ENDING BALANCE		1,318,750	0	872,841	1,776,232	2,161,241	2,559,726	2,972,158	0	89,011	181,138	276,489	375,177	483,561	589,497	705,382	819,081	943,002	1,065,018	1,197,547	1,328,472	1,470,221	1,610,690	1,762,317	(0)	
PARTICIPATION PROCEEDS		0	785,632	0	0	0	0	0	0	586,005	0	0	0	0	0	0	0	0	0	0	0	0	0	0	3,839,506	
USF&G TOTAL CASH FLOWS		(1,318,750)	2,148,539	(872,841)	(872,841)	(322,841)	(322,841)	(322,841)	3,662,188	(89,011)	(89,011)	(89,011)	(89,011)	(95,253)	(89,011)	(95,253)	(89,011)	(95,253)	(89,011)	(95,253)	(89,011)	(95,253)	(89,011)	(95,253)	5,663,505	
INTERNAL RATE OF RETURN	75.922																									

A.

APPENDIX

1980 CENSUS
NATIONAL DECISION SYSTEMS
POP - FACTS - FULL DATA REPORT
619-942-7000

PREPARED FOR PATRICK F DAILY ASSOC

SCHAUMBURG AND BARRINGTON RD
STREAMWOOD, IL

SITE #: 62484
CORD: 42.020 88.087

DESCRIPTION	3.0 MILE RADIUS	5.0 MILE RADIUS	10.0 MILE RADIUS
POPULATION			
1990 PROJECTION	106,225	191,231	653,619
1985 ESTIMATE	99,862	175,909	611,544
1980 CENSUS	93,322	160,271	568,396
1970 CENSUS	58,742	87,091	393,233
GROWTH 70-80	58.87%	84.03%	44.54%
HOUSEHOLDS			
1990 PROJECTION	34,600	64,024	225,065
1985 ESTIMATE	32,117	58,179	208,045
1980 CENSUS	29,380	51,884	189,605
1970 CENSUS	14,164	21,722	105,551
GROWTH 70-80	107.43%	138.86%	79.63%
POPULATION BY RACE & SPANISH ORIGIN			
WHITE	93,311	93,807	93,788
BLACK	1.20%	1.30%	1.63%
AMERICAN INDIAN	0.16%	0.13%	0.11%
ASIAN & PACIFIC ISLANDER	2.66%	3.21%	2.66%
OTHER RACES	1.67%	1.55%	1.82%
SPANISH ORIGIN - NEW CATEGORY	3.91%	3.72%	4.28%
OCCUPIED UNITS			
OWNER OCCUPIED	74.52%	75.03%	71.41%
RENTER OCCUPIED	25.48%	24.97%	28.59%
-- 1980 PERSONS PER HOUSEHOLD	3.17	3.08	2.97
YEAR ROUND UNITS AT ADDRESS			
SINGLE UNITS	79.42%	77.83%	72.77%
2 TO 9 UNITS	7.10%	7.65%	11.67%
10+ UNITS	13.29%	13.92%	14.79%
MOBILE HOME OR TRAILER	0.18%	0.60%	0.78%
SINGLE/MULTIPLE UNIT RATIO	3.89	3.61	2.75
1985 ESTIMATED HOUSEHOLDS BY INCOME			
\$75,000 OR MORE	3.89%	5.38%	7.19%
\$50,000 TO \$74,999	19.54%	19.91%	18.15%
\$35,000 TO \$49,999	32.83%	31.64%	27.70%
\$25,000 TO \$34,999	20.46%	19.82%	19.38%
\$15,000 TO \$24,999	14.53%	14.25%	15.64%
\$7,500 TO \$14,999	5.20%	5.29%	6.99%
UNDER 7,500	3.54%	3.70%	4.96%
1985 ESTIMATED AVERAGE HH INCOME			
1985 ESTIMATED AVERAGE HH INCOME	\$39,016	\$40,432	\$40,260
1985 ESTIMATED MEDIAN HH INCOME	\$37,643	\$38,220	\$37,000
1985 ESTIMATED PER CAPITA INCOME	\$12,562	\$13,409	\$13,717

1 9 8 0 C E N S U S
N A T I O N A L D E C I S I O N S Y S T E M S
P O P - F A C T S - F U L L D A T A R E P O R T
619-942-7000

PREPARED FOR PATRICK F DAILY ASSOC

SCHAUMBURG AND BARRINGTON RD
STREAMWOOD, IL

SITE #: 62484
CORD: 42.020 88.087

DESCRIPTION	3.0 MILE RADIUS	5.0 MILE RADIUS	10.0 MILE RADIUS
POPULATION BY SEX	93,318	160,258	568,319
MALE	50.13%	50.01%	49.52%
FEMALE	49.87%	49.99%	50.48%
POPULATION BY AGE	93,318	160,258	568,319
UNDER 5 YEARS	9.25%	9.36%	8.31%
5 TO 9 YEARS	9.82%	9.53%	8.46%
10 TO 14 YEARS	10.50%	9.80%	9.10%
15 TO 19 YEARS	9.16%	8.42%	8.90%
20 TO 24 YEARS	8.56%	8.43%	8.98%
25 TO 29 YEARS	10.92%	11.35%	10.32%
30 TO 34 YEARS	11.68%	11.99%	10.12%
35 TO 44 YEARS	15.02%	14.84%	13.82%
45 TO 54 YEARS	7.94%	8.11%	9.77%
55 TO 59 YEARS	2.42%	2.77%	3.89%
60 TO 64 YEARS	1.54%	1.83%	2.72%
65 TO 74 YEARS	1.83%	2.12%	3.33%
75+ YEARS	1.36%	1.43%	2.27%
MEDIAN AGE	26.15	27.03	28.60
AVERAGE AGE	27.33	27.94	30.22
FEMALE POPULATION BY AGE	46,534	80,110	286,888
UNDER 5 YEARS	8.90%	9.07%	8.03%
5 TO 9 YEARS	9.65%	9.37%	8.20%
10 TO 14 YEARS	10.12%	9.43%	8.74%
15 TO 19 YEARS	9.05%	8.32%	8.67%
20 TO 24 YEARS	8.85%	8.81%	9.18%
25 TO 29 YEARS	11.20%	11.73%	10.43%
30 TO 34 YEARS	11.94%	12.20%	10.20%
35 TO 44 YEARS	14.78%	14.33%	13.51%
45 TO 54 YEARS	7.38%	7.63%	9.46%
55 TO 59 YEARS	2.27%	2.64%	3.79%
60 TO 64 YEARS	1.62%	1.90%	2.77%
65 TO 74 YEARS	2.25%	2.53%	3.88%
75+ YEARS	1.98%	2.03%	3.13%
FEMALE MEDIAN AGE	25.73	26.74	28.02
FEMALE AVERAGE AGE	27.86	28.43	31.00
POPULATION BY HOUSEHOLD TYPE	93,318	160,258	568,319
FAMILY HOUSEHOLDS	91.92%	91.37%	89.99%
NON FAMILY HOUSEHOLDS	7.75%	8.20%	9.01%
GROUP QUARTERS	0.33%	0.42%	1.01%

1 9 8 0 C E N S U S
N A T I O N A L D E C I S I O N S Y S T E M S
P O P - F A C T S - F U L L D A T A R E P O R T
619-942-7000

PREPARED FOR PATRICK F DAILY ASSOC

SCHAUMBURG AND BARRINGTON RD
STREAMWOOD, IL

SITE #: 62484
CORD: 42.020 88.087

DESCRIPTION	3.0 MILE RADIUS	5.0 MILE RADIUS	10.0 MILE RADIUS
HISPANIC POPULATION BY RACE	3,648	5,965	24,326
WHITE	66.59%	67.62%	66.14%
BLACK	0.32%	0.45%	0.43%
AMERICAN INDIAN & ASIAN	2.12%	2.25%	1.75%
OTHER RACE	30.97%	29.68%	31.68%
HISPANIC POPULATION BY TYPE	93,322	160,271	568,396
NOT OF HISPANIC ORIGIN	96.09%	96.28%	95.72%
MEXICAN	2.56%	2.40%	2.87%
PUERTO RICAN	0.39%	0.37%	0.53%
CUBAN	0.11%	0.14%	0.13%
OTHER SPANISH	0.85%	0.81%	0.73%
MARITAL STATUS PERSONS 15+	65,726	114,270	421,237
SINGLE	24.17%	23.39%	24.67%
MARRIED	65.18%	66.19%	63.68%
SEPARATED	1.14%	1.08%	1.11%
WIDOWED	3.45%	3.52%	4.71%
DIVORCED	6.06%	5.81%	5.83%
MARITAL STATUS OF FEMALES 15+	33,193	57,783	215,252
SINGLE	21.17%	20.65%	21.90%
MARRIED	64.47%	65.35%	62.18%
SEPARATED	1.36%	1.26%	1.28%
WIDOWED	5.79%	5.88%	7.79%
DIVORCED	7.21%	6.86%	6.84%
PERSONS IN UNIT	29,376	51,877	189,575
1 PERSON UNITS	14.94%	15.84%	17.46%
2 PERSON UNITS	24.39%	26.22%	28.63%
3 PERSON UNITS	19.03%	18.78%	18.48%
4 PERSON UNITS	22.95%	22.03%	19.57%
5 PERSON UNITS	11.68%	10.97%	9.92%
6+ PERSON UNITS	7.01%	6.16%	5.91%
PERSONS IN RENTER UNITS	7,442	12,907	54,105
1 PERSON UNITS	33.34%	35.16%	35.93%
2 PERSON UNITS	30.86%	31.47%	32.69%
3 PERSON UNITS	15.92%	15.18%	14.84%
4 PERSON UNITS	11.29%	10.37%	9.44%
5 PERSON UNITS	5.56%	4.92%	4.18%
6+ PERSON UNITS	3.03%	2.91%	2.93%

1980 CENSUS
NATIONAL DECISION SYSTEMS
POP-FACTS - FULL DATA REPORT
619-942-7000

PREPARED FOR PATRICK F DAILY ASSOC

SCHAUMBURG AND BARRINGTON RD
STREAMWOOD, IL

SITE #: 62484
CORD: 42.020 88.087

DESCRIPTION	3.0 MILE RADIUS	5.0 MILE RADIUS	10.0 MILE RADIUS
HOUSEHOLDS BY TYPE	29,376	51,877	189,575
SINGLE MALE	7.93%	8.26%	8.14%
SINGLE FEMALE	7.01%	7.58%	9.32%
MARRIED COUPLE	71.42%	71.38%	69.05%
OTHER FAMILY - MALE HEAD	2.04%	1.96%	2.11%
OTHER FAMILY - FEMALE HEAD	7.25%	6.55%	7.09%
NON FAMILY - MALE HEAD	3.08%	2.94%	2.79%
NON FAMILY - FEMALE HEAD	1.27%	1.33%	1.50%
HOUSEHOLDS WITH CHILDREN 0-18	16,520	27,633	91,004
MARRIED COUPLE FAMILY	87.43%	88.30%	87.04%
OTHER FAMILY - MALE HEAD	2.01%	1.93%	2.16%
OTHER FAMILY - FEMALE HEAD	9.98%	9.26%	10.24%
NON FAMILY	0.57%	0.51%	0.57%
1980 OWNER OCCUPIED PROPERTY VALUES	18,288	32,041	113,581
UNDER \$25,000	0.23%	0.30%	0.63%
\$25,000 TO \$39,999	0.99%	0.90%	2.41%
\$40,000 TO \$49,999	3.56%	2.80%	4.81%
\$50,000 TO \$79,999	68.60%	58.16%	49.52%
\$80,000 TO \$99,999	19.93%	24.07%	22.88%
\$100,000 TO \$149,000	6.17%	11.13%	15.08%
\$150,000 TO \$199,999	0.38%	1.63%	3.09%
\$200,000+	0.12%	1.01%	1.57%
-- 1980 MEDIAN PROPERTY VALUE	\$71,750	\$77,800	\$80,439
POPULATION BY URBAN VS RURAL	93,322	160,271	568,396
URBAN	99.71%	97.89%	97.76%
RURAL	0.29%	2.11%	2.24%
POPULATION ENROLLED IN SCHOOL	29,723	49,083	166,811
NURSERY SCHOOL	6.49%	6.86%	6.22%
KINDERGARTEN & ELEMENTARY (1-8)	57.58%	57.14%	54.04%
HIGH SCHOOL (9-12)	24.00%	22.87%	24.60%
COLLEGE	11.93%	13.13%	15.13%
POPULATION 25+ BY EDUCATION LEVEL	49,140	87,208	319,549
ELEMENTARY (0-8)	6.75%	6.59%	8.71%
SOME HIGH SCHOOL (9-11)	11.31%	10.08%	10.40%
HIGH SCHOOL GRADUATE (12)	39.85%	38.22%	36.66%
SOME COLLEGE (13-15)	21.38%	21.96%	20.98%
COLLEGE GRADUATE (16+)	20.71%	23.15%	23.25%

1 9 8 0 C E N S U S
N A T I O N A L D E C I S I O N S Y S T E M S
P O P - F A C T S - F U L L D A T A R E P O R T
619-942-7000

PREPARED FOR PATRICK F DAILY ASSOC

SCHAUMBURG AND BARRINGTON RD
STREAMWOOD, IL

SITE #: 62484
CORD: 42.020 88.087

DESCRIPTION	3.0 MILE RADIUS	5.0 MILE RADIUS	10.0 MILE RADIUS
POPULATION 16+ BY OCCUPATION	46,996	81,907	292,207
EXECUTIVE AND MANAGERIAL	14.49%	15.92%	15.66%
PROFESSIONAL SPECIALTY	10.22%	11.20%	12.00%
TECHNICAL SUPPORT	3.76%	3.73%	3.49%
SALES	13.44%	13.67%	12.70%
ADMINISTRATIVE SUPPORT	20.94%	20.28%	19.90%
SERVICE: PRIVATE HOUSEHOLD	0.12%	0.13%	0.17%
SERVICE: PROTECTIVE	0.93%	0.89%	0.95%
SERVICE: OTHER	8.06%	7.81%	8.13%
FARMING FORESTRY & FISHING	0.32%	0.39%	0.40%
PRECISION PRODUCTION & CRAFT	12.97%	12.55%	12.15%
MACHINE OPERATOR	6.91%	6.40%	7.22%
TRANSPORTATION & MATERIAL MOVING	3.53%	3.30%	3.42%
LABORERS	4.30%	3.72%	3.81%
FEMALES 16+ WITH CHILDREN 0-18	16,023	26,858	88,289
WORKING WITH CHILD UNDER 6	17.46%	18.50%	18.71%
NOT WORKING WITH CHILD UNDER 6	27.62%	28.49%	26.41%
WORKING WITH CHILD 6-18 ONLY	39.52%	37.17%	37.33%
NOT WORKING WITH CHILD 6-18 ONLY	15.41%	15.84%	17.55%
HOUSEHOLDS BY NUMBER OF VEHICLES	29,378	51,895	189,523
NO VEHICLES	2.33%	2.19%	3.60%
1 VEHICLE	31.58%	31.36%	33.01%
2 VEHICLES	50.74%	50.93%	47.41%
3+ VEHICLES	15.35%	15.51%	15.98%
ESTIMATED TOTAL VEHICLES	53,517	94,897	339,157
POPULATION BY TRAVEL TIME TO WORK	45,944	79,775	283,611
UNDER 5 MINUTES	1.66%	1.91%	2.36%
5 TO 9 MINUTES	8.32%	8.03%	10.44%
10 TO 14 MINUTES	8.82%	9.61%	13.70%
15 TO 19 MINUTES	11.69%	11.98%	13.66%
20 TO 29 MINUTES	18.09%	18.61%	18.09%
30 TO 44 MINUTES	26.57%	25.24%	20.76%
45 TO 59 MINUTES	11.72%	11.15%	9.16%
60+ MINUTES	13.13%	13.47%	11.82%
AVERAGE TRAVEL TIME IN MINUTES	30.80	30.60	27.59
POPULATION BY TRANSPORTATION TO WORK	46,058	80,276	285,949
DRIVE ALONE	71.67%	72.23%	72.01%
CAR POOL	19.76%	18.19%	16.99%
PUBLIC TRANSPORTATION	5.70%	6.45%	6.85%
WALKED ONLY	1.63%	1.61%	2.35%
OTHER MEANS	0.53%	0.57%	0.68%
WORKED AT HOME	0.71%	0.94%	1.11%

1980 CENSUS
NATIONAL DECISION SYSTEMS
POP-FACTS - FULL DATA REPORT
619-942-7000

PREPARED FOR PATRICK F DAILY ASSOC

SCHAUMBURG AND BARRINGTON RD
STREAMWOOD, IL

SITE #: 62484
CORD: 42.020 88.087

DESCRIPTION	3.0 MILE RADIUS	5.0 MILE RADIUS	10.0 MILE RADIUS
HOUSING UNITS BY YEAR BUILT	31,319	55,707	201,550
BUILT 1979 TO MARCH 1980	2.51%	4.63%	4.74%
BUILT 1975 TO 1978	16.83%	23.17%	18.57%
BUILT 1970 TO 1974	35.48%	33.21%	23.58%
BUILT 1960 TO 1969	36.99%	28.97%	27.89%
BUILT 1950 TO 1959	7.16%	7.40%	14.02%
BUILT 1940 TO 1949	0.30%	0.66%	3.14%
BUILT 1939 OR EARLIER	0.73%	1.96%	8.04%
1980 HOUSEHOLDS BY 1979 INCOMES	29,274	51,868	189,547
\$75,000+	0.65%	1.33%	2.15%
\$50,000 TO \$74,999	4.35%	5.39%	6.55%
\$40,000 TO \$49,999	8.61%	9.46%	9.77%
\$35,000 TO \$39,999	9.38%	9.51%	8.43%
\$30,000 TO \$34,999	13.42%	13.34%	12.20%
\$25,000 TO \$29,999	17.78%	16.82%	14.62%
\$20,000 TO \$24,999	17.38%	16.11%	14.81%
\$15,000 TO \$19,999	11.65%	11.22%	11.53%
\$10,000 TO \$14,999	9.06%	8.87%	9.74%
\$7,500 TO \$9,999	2.75%	2.73%	3.29%
\$5,000 TO \$7,499	2.26%	2.34%	2.89%
UNDER \$5,000	2.71%	2.88%	4.03%
1979 AVERAGE HOUSEHOLD INCOME	\$27,088	\$28,289	\$28,707
1979 MEDIAN HOUSEHOLD INCOME	\$26,023	\$26,755	\$26,499
1980 FAMILIES BY 1979 INCOMES	23,666	41,514	149,009
\$75,000+	0.72%	1.49%	2.54%
\$50,000 TO \$74,999	4.87%	6.11%	7.76%
\$40,000 TO \$49,999	9.58%	10.72%	11.52%
\$35,000 TO \$39,999	10.66%	10.87%	9.80%
\$30,000 TO \$34,999	15.44%	15.34%	14.14%
\$25,000 TO \$29,999	19.46%	18.44%	16.27%
\$20,000 TO \$24,999	17.76%	16.50%	15.30%
\$15,000 TO \$19,999	9.95%	9.30%	9.79%
\$10,000 TO \$14,999	6.37%	6.07%	6.80%
7,500 TO \$9,999	1.95%	1.88%	2.14%
\$5,000 TO \$7,499	1.37%	1.38%	1.70%
UNDER \$5,000	1.87%	1.89%	2.23%
1979 AVERAGE FAMILY INCOME	\$28,784	\$30,289	\$31,428
1979 MEDIAN FAMILY INCOME	\$27,847	\$28,807	\$29,183