

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

In re:

Lawrence D. Fromelius,

Debtor.

Chapter 11

Bankruptcy No. 15-22373

Honorable Donald R. Cassling

NOTICE OF MOTION

Please take notice that, on March 13, 2018, at **9:30 a.m.**, or as soon thereafter as counsel may be heard, the undersigned shall appear before the Honorable Donald R. Cassling, United States Bankruptcy Judge for the Northern District of Illinois, in Courtroom 619 of the Everett McKinley Dirksen United States Courthouse, 219 South Dearborn Street, Chicago, Illinois, to present the attached **Debtor's Motion on Shortened Notice to Sell Lacon Property**, a copy of which is included herewith and served upon you, at which time and place you may appear.

Dated: March 6, 2018

Lawrence D. Fromelius

By: /s/ William J. Factor

One of His Attorneys

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CERTIFICATE OF SERVICE

I, William J. Factor, an attorney, hereby certify that on March 6, 2018, pursuant to Section II.B.4 of the Administrative Procedures for the Case Management/Electronic Case Filing System and Fed.R.Civ.P. 5(a), I caused a copy of the foregoing *Notice of Motion* and the accompanying *Motion* to be served electronically through the Court's Electronic Notice for Registrants on all persons identified as Registrants on the below Service List and by first-class mail on all other persons on the below Service List.

/s/ William J. Factor

SERVICE LIST

Registrants

(Service via ECF)

Abraham Brustein, ESQ	abrustein@dimonteandlizak.com, jjarke@dimontelaw.com
William J. Factor	wfactor@wfactorlaw.com, wfactorlaw@gmail.com, bharlow@wfactorlaw.com, wfactor@ecf.inforuptcy.com, wfactormyecfmail@gmail.com
Sarah Fowler	sarah.fowler@icemiller.com, Kathy.Chulchian@icemiller.com
Ariane Holtschlag	aholtschlag@wfactorlaw.com, bharlow@wfactorlaw.com, gsullivan@ecf.inforuptcy.com
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Jeffrey K. Paulsen	jpaulsen@wfactorlaw.com, bharlow@wfactorlaw.com, jpaulsen@ecf.inforuptcy.com

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Deborah.Wolf@icemiller.com

Julia Jensen Smolka jjensen@dimonteandlizak.com,
dlathom@dimontelaw.com

Christopher B. Wick cwick@hahnlaw.com, hlpcr@hahnlaw.com

Other Parties in Interest
(Service via U.S. Mail)

Department of the Treasury Internal Revenue Service P.O. Box 7346 Philadelphia, PA 19101-7346	Internal Revenue Service Mail Stop 5014CHI 230 S. Dearborn Street, Room 2600 Chicago, IL 60604-1705
BMO Harris Bank Attn: BRK-180-RC 770 N. Water St. Milwaukee, WI 53202-0002	BMO Harris Bank Pob 6201 Carol Stream IL 60197-6201
BMO Harris Bank N.A. 111 W. Monroe Street PO Box 755 Chicago, IL 60690-0755	BMO Harris Bank, N.A. PO Box 660310 Sacramento, CA 95866-0310
Bloomington Eye Inst 1008 North Center Street Bloomington IL 61701-2778	BANK OF AMERICA PO BOX 982238 EL PASO TX 79998-2238
Discover Bank Discover Products Inc PO Box 3025 New Albany, OH 43054-3025	Discover Fin Svcs Llc Po Box 15316 Wilmington, DE 19850-5316
Herbolsheimer, Henson, Duncan, Gift Attn: R. James Lannon, Jr. 654 1st Street La Salle, IL 61301-2484	Gailey Eye Clinic 1008 N. Main St Bloomington IL 61701-1784
Harris N. A. BMO Harris Bank - Bankruptcy Dept.- Brk-1 770 N Water Street Milwaukee, WI 53202-0002	George Mueller 609 E. Etna Rd. Ottawa, IL 61350-1071
Kohls/Capone N56 W 17000 Ridgewood Dr Menomonee Falls, WI 53051-7096	Mueller Anderson & Associates Attn: George Mueller 609 East Etna Road Ottawa, IL 61350-1071

Jeriann Lamb PO Box 2023 Ottawa, IL 61350	Midstate Collection So Po Box 3292 Champaign, IL 61826-3292
Pedersen & Houpt Bryan E Minier 161 N. Clark St., Suite 2700 Chicago, IL 60601-3241	Nationwide Credit & Co 815 Commerce Dr Ste 270 Oak Brook, IL 60523-8852
Lawrence D Fromelius 1713 N. 2479th Road Ottawa, IL 61350-9359	Terrence J. Benshoof 170 Spring Avenue Glen Ellyn, IL 60137-4838
Joel Levin U.S. Attorney 219 S. Dearborn 5th Floor Chicago, IL 60604-2029	Jenn Meier c/o LFI Properties, LLC P.O. Box 3474 Lisle, IL 60532
Eugene Bykhovsky Bykhovsky Law LLC 4465 N. Oakland Ave., Suite 110 Shorewood, WI 53211-1662	Nicole Vanda 1719 N. 2450 th Ottawa, IL 61350-9286
Jeff Sessions Attorney General of the U.S. 950 Pennsylvania Ave., NW Washington, DC 20530-0001	Centralized Insolvency Operation PO Box 7346 Philadelphia, PA 19101-7346
Daniel Sharp 2600 Evergreen Cir. McHenry, IL 60050-8020	Marshall County Clerk and Recorder 122 N. Prairie Street Lacon, IL 61540
Iowa Department of Revenue PO Box 10466 Des Moines, IA 50306-0466	Marshall County Treasurer 122 N. Prairie Street Lacon, IL 61540

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

In re:

Lawrence D. Fromelius,

Debtor.

Chapter 11

Bankruptcy No. 15-22373

Honorable Donald R. Cassling

**DEBTOR'S MOTION ON SHORTENED
NOTICE TO SELL LACON PROPERTY**

A sale of real estate free and clear of interests should be approved when the debtor has a sound business purpose for the sale. Lawrence Fromelius, as the post-confirmation debtor in the captioned proceeding under Chapter 11 (the "Debtor") has received the attached sale contract (the "**Sale Agreement**", a copy of which is attached as **Exhibit 1**) from Galena Road Gravel, Inc., an Illinois corporation, or its designee (the "**Purchaser**"), related to the sale and purchase of approximately 12 acres of real estate in Lacon, Illinois for One-Hundred and Fifty Thousand Dollars (\$150,000). Through this Motion, the Debtor seeks an order (a) authorizing him to execute the Sale Agreement, (b) to proceed with his efforts to sell the Lacon Property on the terms set forth in the Sale Agreement and in this motion, and (c) to shorten the notice period for the sale pursuant to Bankruptcy Rule 9006, from 21 days to 7 days.

1. BACKGROUND.

On June 29, 2015, the Debtor filed a petition for relief under chapter 11 of title 11 of the United States Code (the "**Bankruptcy Code**"). On October 3, 2017, the

Court entered an order confirming the Debtor's Third Amended Plan of Reorganization dated February 7, 2017, as amended May 12, 2017 (ECF No. 206, the "**Plan**").

The Plan specifies that the Debtor's real estate assets shall remain in the bankruptcy estate so that they can be sold post-confirmation pursuant to § 363 of the Bankruptcy Code. The Plan contemplates an orderly sale of real estate to generate funds to pay the Anne Marie Barry Trust, among others. One of the parcels to be sold is at 812/814 State Street, Lacon, Illinois, with Parcel ID Numbers of 04-24-300-009, 04-24-252-001, and 04-24-252-002, located in Marshall County (the "**Lacon Property**").

Consistent with the Plan, the Debtor has been endeavoring to sell the Lacon Property, and, as such, received the Sale Agreement from the Purchaser. The Purchaser owns a business and land that is adjacent to the Lacon Property and has expressed interest in expanding its footprint to include the Lacon Property. The Sale Agreement contemplates that the Purchaser shall have no more than a 60-day period to conduct due diligence on the Lacon Property, after which time the Debtor anticipates the sale will close.

2. LEGAL ANALYSIS.

2.1. The sale should be approved because the Debtor has a sound business purpose for selling the Lacon Property.

A debtor-in-possession, "after notice and a hearing, may use, sell, or lease, other than in the ordinary course of business, property of the estate." 11 U.S.C.

§ 363(b). A debtor's sale of its assets should be authorized pursuant to § 363(b)(1) of the Bankruptcy Code if a sound business purpose exists for doing so. *See, e.g., In re Schipper*, 933 F. 2d 513, 515 (7th Cir. 1991); *Stephens Indus., Inc. v. McClung*, 789 F.2d 386, 390 (6th Cir. 1986); *In re Lionel Corp.*, 722 F.2d 1063, 1070 (2d Cir. 1983).

Once a debtor articulates a valid business justification for the sale of its assets, there “is a presumption that in making a business decision the directors of a corporation acted on an informed basis, in good faith and in the honest belief that the action was in the best interests of the company.” *In re S.N.A. Nut Co.*, 186 B.R. 98 (Bankr. N.D. Ill. 1995); *see also In re Integrated Resources, Inc.*, 147 B.R. 650, 656 (S.D.N.Y. 1992); *Priddy v. Edelman*, 679 F. Supp. 1425, 1434 (E.D. Mich. 1988), *aff'd* 883 F.2d 438 (6th Cir. 1989) (“the ‘business judgment rule’ creates a presumption that directors have acted in accordance with their fiduciary obligations on an informed basis, in good faith and in the honest belief that the action was in the best interests of the company”); *In re Johns-Manville Corp.*, 60 B.R. 612, 615-16 (Bankr. S.D.N.Y. 1986) (“a presumption of reasonableness attaches to a Debtor’s management decisions”).

Courts consider several factors to determine whether a proposed sale is an exercise of a debtor’s sound business judgment: (a) whether a sound business reason exists for the proposed sale; (b) whether fair and reasonable consideration is provided; (c) whether the sale has been proposed and negotiated in good faith; and (d) whether adequate and reasonable notice is provided. *In re Eng’g Prods. Co.*, 121 B.R. 246, 247–49 (Bankr. E.D. Wis. 1990).

The Debtor's proposed sale of the Lacon Property satisfies each of the *Engineering Products* factors. First, the Debtor has a sound business reason to sell the property: to help fund his chapter 11 plan and repay creditors. As explained above, the Plan contemplates the orderly sale of real estate to pay creditors. Second, fair and reasonable consideration will be paid. The Purchaser offered \$150,000 for the Property, which is more than the amount the Debtor estimated the Property was worth in his bankruptcy schedules. The Debtor does not expect to receive a better offer, although the Purchase Agreement allows the Debtor to accept a higher offer if one is received.

Third, the Debtor believes sale to the Purchaser has been proposed and negotiated in good faith. The Debtor is not connected in any way with the Purchaser and has as his primary goal the maximization of value. Also, the Debtor placed a value of \$100,000 on the Lacon Property, and the Purchaser agreed to pay \$150,000. Based upon his own knowledge of the Lacon Property and discussions with others, the Debtor believes the purchase price is fair and reasonable. The Anne Marie Barry Trust also has consented to the sale price. The Debtor will not receive any benefit from the sale other than the consideration being paid, which will be used to further implement his Plan. Last, adequate notice of the sale will be provided. The Debtor sent notice of this motion and the proposed sale to all creditors and parties in interest and the party with the largest interest in the sale of the Lacon Property – the Anne Marie Barry Trust – has consented to the sale.

Because the sale of the Lacon Property is an exercise of the Debtor's sound business judgment, the sale should be approved.

2.2. The sale should be free and clear of interests.

43. A debtor-in-possession may sell estate assets free and clear of any interest in the asset only if:

- (1) applicable non-bankruptcy law permits sale of such property free and clear of such interest;
- (2) such entity consents;
- (3) such interest is a lien and the price at which such property is to be sold is greater than the aggregate value of all liens on such property;
- (4) such interest is in bona fide dispute; or
- (5) such entity could be compelled, in a legal or equitable proceeding, to accept a money satisfaction of such interest.

11 U.S.C. § 363(f).

Under this provision, the Debtor may sell the Lacon Property free and clear of all interests, liens, claims and encumbrances of any kind or nature whatsoever (collectively, "**Liens and Claims**").¹ To the best of the Debtor's knowledge,

¹ For the avoidance of doubt, the term "Liens and Claims" as used herein includes, without limitation, any mortgage, lien (as such term is defined in 11 U.S.C. § 101(37), including any mechanic's, materialman's, broker's, statutory, cash collateral or carve out lien or any other consensual or non-consensual lien), security interest, lawsuit, charge, hypothecation, deed of trust, pledge, right of use, first offer or refusal, servitude, restrictive covenant, lease, sublease, covenant, right of way, option, restriction (including any restriction on transfer or on the use, voting, receipt of income or other rights or exercise of any attributes of ownership), conditional sale or other title retention agreements, interest, encumbrance of any kind, debt, liability, obligation or claim (as that term is defined in 11 U.S.C. § 105(5)).

information, and belief, no entity claims an interest in the Lacon Property, other than the Anne Marie Barry Trust, and the Trustee of the Anne Marie Barry Trust has consented to the sale of the Lacon Property and will be paid the proceeds from the sale in accordance with the Debtor's Plan. The sale will therefore comply with § 363(f), and the Court should approve the sale free and clear of all interests, with any interests attaching to the sale proceeds.

2.3. The parties are entitled to a good-faith finding under 11 U.S.C. § 363(m).

The reversal or modification on appeal of an authorization under § 363(b) of a sale of property does not affect the validity of the sale to an entity that purchased the property in good faith, unless the authorization and sale were stayed pending appeal. 11 U.S.C. § 363(m). Although the Bankruptcy Code does not define a “good faith” purchaser, courts have found that “the phrase encompasses one who purchases in ‘good faith’ and for ‘value.’” *In re Abbotts Dairies*, 788 F.2d 143, 147 (3d Cir. 1986). To constitute lack of good faith, a party's conduct must usually amount to “fraud, collusion between the purchaser and other bidders or the trustee or an attempt to take grossly unfair advantage of other bidders.” *Id.* (citing *In re Rock Indus. Mach. Corp.*, 572 F.2d 1195, 1198 (7th Cir. 1978)). See also *In re Bedford Springs Hotel, Inc.*, 99 B.R. 302, 305 (Bankr. W.D. Pa. 1989); *In re Perona Bros., Inc.*, 186 B.R. 833, 839 (D.N.J. 1995). Due to the absence of a bright line test for good faith, the determination is based on the facts of each case, concentrating on the “integrity of [an actor's] conduct during the sale proceedings.” *In re Pisces Leasing Corp.*, 66 B.R. 671, 673 (E.D.N.Y. 1986) (quoting *Rock Indus.*, 572 F.2d at 1198).

In this case, the Debtor submits the Purchaser has acted in good faith with respect to the proposed sale and will continue to do so.

2.4. Shortened Notice

Bankruptcy Rule 2002(a), specifies that creditors should receive at least 21 days' notice of a motion to sell property outside of the ordinary course of business. Bankruptcy Rule 9006, however, directs that the notice period may be shortened for cause. The Debtor contends there is ample cause to shorten the referenced notice period to 7 days, particularly because the Trustee of the Anne Marie Barry Trust has consented to the sale price and the sale. The Debtor also does not anticipate the Closing will take place prior to the expiration of 21 days from the service of this Motion in light of, among other things, the due diligence period.

Wherefore, the Debtor respectfully requests that the Court enter an order in the form of that appended hereto (a) authorizing the Debtor to enter into the Sale Agreement on shortened notice and, if appropriate, to consummate the sale of the Lacon Property for \$150,000 to the Purchaser free and clear of all liens, claims and encumbrances pursuant to 11 U.S.C. § 363(f) and (b) granting such further relief as is appropriate in the circumstances.

Dated: March 6, 2018

Respectfully submitted,

Lawrence D. Fromelius

By: /s/ William J. Factor

One of His Attorneys

William J. Factor (6205675)

Jeffrey K. Paulsen (6300528)

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Exhibit 1 - Purchase Agreement

REAL ESTATE SALE CONTRACT

This REAL ESTATE SALE CONTRACT (this "Contract") is made and entered into as of March ____, 2018 (the "Effective Date") by and between Lawrence D. Fromelius ("Seller"), and Galena Road Gravel, Inc., an Illinois corporation, or its designee ("Buyer").

WHEREAS, On July 2, 2015, Seller filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the Northern District of Illinois (the "Bankruptcy Court"), which was assigned Case No. 15-22373 (the "Bankruptcy Case").

WHEREAS, on October 3, 2017, the Bankruptcy Court entered an Order confirming Seller's Third Amended Plan of Reorganization, Dated February 7, 2017, as Amended May 12, 2017 (ECF No. 206) (the "Plan").

WHEREAS, the Plan contemplates that Seller will sell real property in which he has an interest, including the Property, and use the sale proceeds to repay creditors holding Allowed Claims (as defined in the Plan), including the Ann Marie Barry Trust, as the holder of an Allowed Claim of \$5.6 million (as reduced by Plan payments and as subject to increase in accordance with the Plan).

WHEREAS, the Plan further provides that Seller shall seek an order from the Bankruptcy Court (an "Approval Order") in accordance with 11 U.S.C. § 363 authorizing, him to sell his property.

WHEREAS Seller desires to sell to Buyer the Property (defined below) upon the terms and conditions contained herein;

NOW, THEREFORE, in consideration of the foregoing, the covenants and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

1. **PROPERTY.** Seller is the owner of that certain real property commonly known and numbered as 812/814 State Street, Lacon, Illinois with Parcel ID Numbers of 04-24-300-009, 04-24-252-001, and 04-24-252-002, located in Marshall County (the "County"), Illinois, all as more particularly described on Exhibit A hereto together with Seller's right, title and interest in and to any and all developer and declarant rights, improvements thereon, easements and appurtenances thereto, and any and all rights of access and abutter's rights in and to any and all adjoining roadways and rights-of-way and all right, title and interest of Seller in an to all utilities and utility service commitments and allocations, sewage treatment capacity and water capacity, if any (the "Property"). For the consideration herein expressed and upon the terms and conditions herein contained, Seller agrees to sell, and Buyer agrees to purchase, the Property.

2. **PURCHASE PRICE.**

2.1. **Purchase Price.** At the Closing (hereinafter defined in Section 4.1), Buyer shall pay to Seller a "Purchase Price" (herein so called) equal to One Hundred and Fifty Thousand and 00/100 Dollars (\$150,000.00). The Purchase Price shall be paid at the Closing subject to any credits or adjustments pursuant to this Contract.

3. **DEPOSIT.**

3.1. Delivery of Deposit. Buyer shall deliver to First American Title Company (the "Title Company"), 8182 Maryland, Suite 400, Clayton, MO 63105, Attention: Kevin Twellman, and Title Company shall deposit in an escrow account the amount of Five Thousand and 00/100 Dollars (\$5,000.00) (the "Deposit") prior to, or within five (5) banking days after the Effective Date. Until the date that a party is entitled to receive the Deposit pursuant to the terms hereof, the Title Company will hold the Deposit, at Buyer's request, in a federally insured interest-bearing account and interest on the Deposit shall accrue to the benefit of the Buyer.

3.2. Application of Deposit. Unless this Contract is sooner terminated in accordance with the terms hereof (other than as a result of a default hereof by Buyer and except as may be otherwise expressly set forth in this Agreement), in which case the Deposit shall be returned to Buyer, the Deposit made by Buyer pursuant to this provision shall be applied to the Purchase Price at Closing.

4. CLOSING.

4.1. Closing. As used herein, "Closing" means the act by Seller of conveying title to the Property to Buyer. The Closing shall be held either at the office of the Title Company or through other reasonable means, unless otherwise designated by Seller and Buyer. The Closing may also be completed by so called "mail in" procedure to the Title Company as Escrowee pursuant to escrow instructions acceptable to Buyer, Seller and Escrowee, said mail in Closing and escrow instructions in all events subject to the terms and provisions of this Agreement. The Closing shall occur on a date and at a time mutually agreeable to Seller and Buyer, but no later than thirty (30) days after the end of the Feasibility Period (as hereinafter defined) (the "Closing Date").

5. BUYER'S REVIEW OF PROPERTY.

5.1. Feasibility Period. Buyer will have the period (the "Feasibility Period") from the Effective Date until sixty (60) days after the Effective Date (subject to extension as provided herein), or such earlier date in Buyer's discretion, in which to review and examine the condition of the Property and the suitability thereof in Buyer's sole discretion, any survey, soil, environmental and other inspection reports, title, zoning and permits for the Property, potential financing for the purchase of the Property and the sufficiency of governmental approvals and entitlements for the Property. Buyer may terminate this Contract by notice to Seller at any time prior to the expiration of the Feasibility Period, and if it does so notify Seller prior to the expiration of the Feasibility Period, the Deposit will be returned to Buyer and neither party will have any further obligations hereunder except those that expressly survive termination. Buyer's failure to timely notify Seller of Buyer's election to terminate this Agreement under this Section 5.1 prior to the expiration of the Feasibility Period shall be deemed Buyer's waiver thereof.

5.2. Buyer's Inspection of Property. From the Effective Date through the Feasibility Period, and if Buyer does not terminate this Contract, from the end of the Feasibility Period until the final Closing, Buyer shall, at its sole cost and expense, have the right to enter upon the Property and to make all inspections, tests, studies and investigations of the condition of the Property which it may deem necessary, all of which inspections and preparations shall be undertaken at Buyer's expense and upon at least 24 hours advance notice to Seller. Prior to and as a condition of entry onto the Property, Buyer and any Buyer Agent (defined below) shall deliver to Seller a certificate of insurance for general commercial liability in connection with claims for damage, death or injury at or on the Property with limits of not less than Two Million Dollars (\$2,000,000), naming Seller as an additional insured, and otherwise in form reasonably

acceptable to Seller. Buyer shall indemnify, defend and hold harmless Seller for any claims, liabilities, debts, loss, cost, expense, injury or obligations, including but not limited to attorneys' fees and court costs, whether direct, indirect, actual or consequential, made or asserted against Seller or incurred by Seller directly as a result of Buyer's inspection of the Property or Buyer's entry, acts or omissions at or on the Property; for purposes hereof the term Buyer shall include Buyer and Buyer's employees, agents, contractors, and others acting at the direction of or on behalf of Buyer (collectively "Buyer Agents"). Buyer shall promptly repair at Buyer's sole cost and expense any damage Buyer or Buyer Agents may cause in connection with entry and activities on or at the Property. No invasive or destructive testing shall be performed at the Property by Buyer or any Buyer Agent without the prior express written consent of Seller in each instance, which shall not be unreasonably withheld, conditioned or delayed. Buyer shall pay the cost of all tests and investigations conducted hereunder and no lien or claim shall be filed or threatened as a result thereof. Unless required by applicable law and then after first advising Seller in writing, the results of Buyer's tests and inspections shall not be disclosed to any third party (other than Buyer's lenders, brokers, engineers, architects, attorneys, accountants and other professionals and then only upon such person or entity's agreement to maintain the same confidential as required by this Section 5.2).

5.3. Seller's Delivery of Property Documents. Within five (5) business days after the Effective Date, Seller shall deliver to Buyer copies of any environmental, soil and other engineering reports, drawings and specifications, surveys, title policies and reports, grading, development and improvement plans for the Property that Seller has in its readily accessible possession (the "Property Documents"). Seller makes no warranty or representation regarding the Property Documents other than the same as so delivered to Buyer is true, correct and complete copies thereof that were in the possession or control of Seller.

6. TITLE AND SURVEY.

6.1. Title to be Conveyed. At Closing, Seller will convey to Buyer fee simple title in and to the Property then being purchased by way of special warranty deed, free and clear of any and all liens, encumbrances, conditions, easements, assessments, restrictions and other conditions, except the following ("Permitted Exceptions"): (i) for general real estate taxes for the year of the Closing and subsequent years not yet due and payable; (ii) easements, dedications and rights-of-way shown on the final plat or otherwise approved in writing by Buyer or deemed approved by Buyer in accordance with the below Sections of this Article 6; and (iii) other matters disclosed by the Title Commitment (defined below) or shown on the Survey (defined below) to which Buyer does not object as provided below or to which Buyer may object but are later deemed accepted as provided below.

6.2. Commitment for Title Insurance. Within fifteen (15) days after the Effective Date, Buyer shall order from the Title Company a commitment for the issuance of an owner's policy of title insurance (the "Title Commitment"), with an effective date no earlier than the Effective Date, issued through the Title Company, and setting forth the state of title to the Property and all exceptions to coverage which would appear in an owner's policy of title insurance, if issued, together with copies of all instruments identified in the Title Commitment as exceptions to title. The Title Commitment shall be delivered to both Buyer and Seller.

6.3. Survey. Buyer, at Buyer's expense, may obtain an updated or new survey(s) of the Property (in which case such updated or new survey shall be deemed the "Survey" hereunder). If Buyer obtains a Survey a copy thereof shall be provided to Seller and the Title Company. In such event any additional exceptions to the title commitment due to the Survey

shall be treated as matters subject to Buyer's right to Objections within the Objection Period provided below. If Buyer does not obtain the Survey or the Survey is not a so called ALTA as built Survey, all exceptions to title commitment and the title policy required by the Title Company as a result thereof shall be deemed Permitted Exceptions.

6.4. Buyer's Review of Title and Survey. Within forty-five (45) days after the Effective Date (the "Objection Period"), Buyer shall give written notice to Seller of any objections to the Title Commitment or any updates thereto or the Survey (the "Objections") after Buyer's receipt thereof. If Seller shall not receive such Objections, and Buyer is able to obtain the Title Commitment, then Buyer's Objections shall be deemed waived. If Buyer fails to notify Seller, in writing, of any Objections within the Objection Period, Buyer will be deemed to have waived any Objections.

6.5. Seller's Right to Cure. If Buyer shall have notified Seller in writing within the Objections Period of any Objections, then Seller may, but shall not be obligated to, within five (5) days after receipt of the Objections (the "Notice Period"), notify Buyer in writing whether Seller intends to cure any of the Objections ("Seller's Title Cure Notice"), and if Seller advises that it will cure any Objections, Seller's cure period shall end on the earlier of thirty (30) days after the date of Seller's Title Cure Notice or five (5) days before the Closing on the Property (the "Cure Period"). Notwithstanding the preceding sentence, Seller shall satisfy, prior to Closing, as applicable, all requirements, monetary liens and assessments appearing on the Title Commitment. Any matter that Seller may be required or have elected to cure may however be cured by Seller at and as a part of the Closing (such as without limitation payment of any sums or removal of any liens by payment of the sums through escrow with the Title Company, and the same shall satisfy Seller's obligations hereunder). Buyer shall have the right, within five (5) days after the Incomplete Cure Date (hereinafter defined) or the Closing Date on the Property, whichever occurs earlier, and as Buyer's sole and exclusive remedy, to either: (i) waive the unsatisfied Objections; or (ii) terminate this Contract whereupon the Deposit shall be returned to Buyer and neither party will have any further obligations hereunder other than any obligations herein that expressly survive termination. If Buyer fails to make an election within such five (5) day period, Buyer shall be conclusively presumed to have made the election under clause (i) of the preceding sentence. "Incomplete Cure Date" means the date following, as applicable: (a) the expiration of the Notice Period, if Seller fails to timely deliver Seller's Title Cure Notice; (b) receipt of Seller's Title Cure Notice, if Seller's Title Cure Notice states that Seller is unwilling to cure all of the Objections; or (c) the expiration of the Cure Period, if Seller timely delivered Seller's Title Cure Notice stating that Seller intends to cure one or more Objections but Seller fails to timely cure all Objections to Buyer's reasonable satisfaction within the Cure Period.

6.6. New Instruments. Subsequent to the Effective Date, Seller shall not record or consent to the recording of new instruments affecting the Property, including the recording of restrictive covenants, without Buyer's prior written consent, which consent may be withheld in Buyer's reasonable discretion.

7. SUBJECT TO COURT APPROVAL. Notwithstanding any other term or provision to the contrary: (a) this Contract and the sale of the Property is subject to the entry of an Approval Order; and (b) Seller's obligations under this Contract are subject to Seller's obligation to comply with any order, ruling or requirement of the Bankruptcy Court. Accordingly, the Closing shall not occur until entry of an Approval Order. If the Bankruptcy Court does not enter an Approval Order on or before the Closing Date or otherwise does not approve the sale of the Property by Seller to Buyer, this Contract shall be automatically terminated and the Deposit will be returned to Buyer, unless Buyer's default contributes to the failure to obtain an Approval Order

(in which case the default provisions applicable to the Deposit shall apply), and neither party will have any further obligations hereunder except those that expressly survive termination. If prior to Closing a third party claims a right to possession to any portion of the Property and Seller obtains an order from the Bankruptcy Court terminating such third party claim to possession, Seller shall be deemed in compliance with Seller's obligation under this Contract regarding possession of the Property at Closing (including but not limited to Section 10.1.6).

8. CONDITIONS TO CLOSING. In addition to the performance by Seller hereunder, the obligation of Buyer to purchase the Property is subject to the satisfaction of the following conditions ("Conditions to Closing") as of the Closing Date, any of which may be waived in whole or in part by Buyer in writing on or before the Closing Date:

8.1. Court Approval. The Approval Order shall have been entered and there shall be no stay of enforcement in effect with respect thereto.

8.2. Compliance with Representations, Warranties and Covenants. The representations and warranties of Seller set forth herein will be true on the Closing Date with the same force and effect as if such representations and warranties were made on and as of the Closing Date, and Seller's covenants to have been performed prior to Closing shall have been performed in accordance with the terms of this Contract.

8.3. Title Policy. An ALTA form 2006 Owner's Title Insurance Policy for the Property ("Title Policy") subject only to the Permitted Exceptions, is available to Buyer.

8.4. If any of the Conditions to Closing have not been satisfied by the Closing Date, then Buyer shall have the right, as Buyer's sole and exclusive remedy, to: (i) terminate this Contract with respect to the Property by written notice to Seller; (ii) waive in writing the unsatisfied condition(s) and promptly proceed with the Closing without reduction of the Purchase Price; or (iii) extend the Closing until the Conditions to Closing have been satisfied (provided such extension of the Closing shall not exceed an additional fourteen [14] days at which time Buyer shall be required to notify Seller of Buyer's election of subsections [i] or [ii] above of this Section 8.4). Failure of Buyer to notify Seller of Buyer's election of subsection (i) or (ii) above of this Section 8.4 on or before the Closing date permitted herein (including any extension thereof permitted pursuant to subsection [iii] above) shall be deemed Buyer's election to proceed with Closing under subsection (ii).

9. CLOSING PROCEDURES. At the Closing, unless otherwise specified below:

9.1. Deed. Seller will deliver to Buyer a duly executed and acknowledged special warranty deed ("Deed") conveying to Buyer the Property to be purchased at such Closing. The conveyance of the Property shall include: (a) all right, title and interest of Seller in and to all improvements situated thereon, (b) all right, title and interest of Seller in and to all strips, gores, easements, streets, alleys and other rights-of-way abutting, adjoining or benefiting the Property, and (c) all right, title and interest of Seller in and to all utilities and utility service commitments and allocations, sewage treatment capacity and water capacity, if any, to serve or which will serve the Property.

9.2. Affidavit as to Debts and Liens. Seller will deliver an affidavit as to debts and liens in a form reasonably required by the Title Company evidencing that Seller has not made any improvements to the Property for which payment has not been made, or, in the alternative, will obtain an order from the Bankruptcy Court authorizing the sale free and clear of such debts

and liens.

9.3. Payment of Purchase Price. Buyer will deliver the Purchase Price for the Property into escrow with the Title Company by cashier's check or wire transfer.

9.4. Possession of Property. On the Closing Date, Seller will deliver complete and sole possession of the Property to Buyer, subject only to the Permitted Exceptions.

9.5. General Real Estate Taxes. At or before Closing, Seller shall pay all real estate taxes and assessments levied against the Property and due and payable as of the date of Closing. General real estate taxes and assessments for the year of Closing levied but not yet paid shall be prorated as of the date of the Closing. If tax statements have not yet been issued for a year, such taxes and assessments shall be prorated based on the application of the most recent year's rates to the latest assessed valuation. If the Property has not been assessed as separate parcels for tax or assessment purposes, then such taxes and assessments attributable to the Property and the proration thereof shall be determined by the Title Company on a basis reasonably acceptable to Seller and Buyer. If the actual real estate taxes levied for any such years are later determined to be higher or lower than those that are prorated, a post-Closing adjustment shall be made between Seller and Buyer.

9.6. Special Assessments and Taxes/Interest/Penalties/Roll Back Taxes. Seller shall pay all fees, special assessments and taxes, interest and penalties levied against the Property and for sums due for any period on or before the date of Closing; any sums due for any period on or after the Closing shall be the obligation of Buyer.

9.7. Allocation of Closing Costs.

9.7.1. Seller's Costs. Seller shall pay the following costs at Closing:

- Owner's Title Commitment fees; and
- Seller closing or recording fees.

9.7.2. Buyer's Costs. Buyer shall pay the following costs at Closing:

- Owner's Policy of Title Insurance fees and premiums (including the cost of any title insurance endorsements [provided that the cost for the Title Company to issue a title insurance endorsement to cure a title Objection shall be paid by Seller]);
- Survey;
- Preparation of the Deed;
- Buyer closing or recording fees;
- The cost of the escrow for Closing;
- The costs of all inspections and tests conducted by Buyer;

- Any so-called transfer taxes, stamps or like governmental fees; and
- Any other expenses customarily charged by Title Company to the Buyer and not expressly Seller's obligation under this Agreement.

10. REPRESENTATIONS AND WARRANTIES.

10.1. Seller's Representations and Warranties. Seller is selling the Property, and Buyer is acquiring the Property, on an "as is" basis, without any representations or warranties as to the condition or status of the Property except as otherwise expressly set forth herein. Subject to the foregoing sentence, Seller represents and warrants to Buyer as follows as of the Effective Date and as of the Closing Date and subject to entry of the Approval Order:

10.1.1. Authority. Subject to entry of an Approval Order, Seller's execution and delivery of this Contract and consummation of the transaction contemplated by this Contract are within Seller's authority and capacity and, all requisite action has been taken to make this Contract a valid and binding obligation of Seller in accordance with its terms.

10.1.2. No Legal Bar. Subject to entry of an Approval order, Seller's execution of this Contract and consummation of the transaction contemplated hereby does not and will not (i) result in a breach of or default under any indenture, agreement, instrument or obligation to which Seller is a party and which affects all or any portion of the Property, or (ii) violate any applicable law.

10.1.3. No Litigation or Actions. Other than the Bankruptcy Case, there are no actions, suits, proceedings, or investigations pending or, to Seller's knowledge, threatened against the Property or any portion thereof, or any pending or, to Seller's knowledge, threatened condemnation, federal forfeiture action or similar proceeding affecting the Property or any portion thereof, nor to Seller's knowledge is there any event which could give rise to a federal forfeiture action concerning the Property.

10.1.4. Title. Seller is the holder of fee simple and record title to the Property, free and clear of all liens, claims, encumbrances and restrictions except those that are filed of record against the Property, the Permitted Exceptions and those that will be eliminated through the Approval Order,

10.1.5. Seller has not received notice that any circumstance or event exists that may allow any Governmental Authority to seize the Property under any civil or criminal law authorizing seizure or forfeiture.

10.1.6. No Hazardous Material. To Seller's knowledge, no portion of the Property has ever been used by Seller to generate, manufacture, refine, transport, treat, store, handle, use or dispose of hazardous materials, and Seller has not received a summons, citation, directive, letter or other communication, written or oral, from any Governmental Authority concerning any intentional or unintentional action or omission which resulted in the releasing, spilling, leaking, pumping, pouring, emitting, emptying or dumping of hazardous material on the Property. The term "hazardous material" as used

in this Contract means any flammable or explosive materials, petroleum or petroleum products, natural gas or synthetic gas usable for fuel, radioactive materials, hazardous wastes or substances or toxic wastes or substances, including without limitation, any substances now or hereafter defined as or included in the definition of "hazardous substances," "hazardous wastes," "hazardous materials," "toxic materials" or "toxic substances" under any applicable governmental law or regulations

10.1.7. No Parties in Possession. To Seller's knowledge, there are no parties other than Seller in possession of any portion of the Property and Seller has not entered into any leases (oral or written) applicable to or affecting the Property.

10.1.8. No Violations of Law. To Seller's knowledge, there is no condition of the Property that violates any applicable law or Governmental Requirements, nor has Seller received notice from any Governmental Authority of violations of laws, rules or regulations which would affect the Property or any portion thereof or its proposed development.

10.1.9. No Commitments. Except as disclosed herein or set forth in the Property Documents or Permitted Exceptions, Seller has made no commitments to any Governmental Authority, utility company, school board, church or other religious body, homeowners' association, or any other organization, group or individual relating to the Property which would impose an obligation upon Buyer or the Property to make any contributions or dedications of money or land or to construct, install or maintain any improvements of a public or private nature on or off the Property.

10.1.10. No Contrary Property Rights. No third party has been granted by Seller an option to purchase, right of first refusal, right of first offer or other similar right with respect to all or a portion of the Property, and Seller has not entered into any other contracts for the sale of all or any portion of the Property with any third party, that will survive the Approval Order.

Notwithstanding the foregoing, the above warranties and representations of Seller set forth in this Section 10.1 (collectively "Seller's Warranties") are limited as follows: (i) Seller's Warranties are subject to any matters set forth in the Seller's Documents; (ii) Seller's Warranties are subject to any matters discovered by Buyer as part of Buyer's due diligence tests and investigations during the Feasibility Period; (iii) Seller's Warranties are subject to the Bankruptcy Case before the Court and all matters and requirements of Seller in connection therewith; (iv) Seller's Warranties are subject to the Permitted Exceptions and all applicable laws, zoning and governmental requirements applicable to the Property; and (v) Seller's Warranties shall automatically expire and terminate six (6) months following the Closing Date. Seller makes no other warranties regarding the condition of the Property and the sale thereof shall be on an "as is" basis.

10.2. Buyer's Representations and Warranties. Buyer represents and warrants to Seller as follows as of the Effective Date and as of the Closing Date and subject to the entry of the Approval Order:

10.2.1. Authority. Buyer's execution and delivery of this Contract

and consummation of the transaction contemplated by this Contract are within Buyer's authority and capacity and all requisite action has been taken to make this Contract a valid and binding obligation of Buyer in accordance with its terms.

10.2.2. No Legal Bar. Buyer's execution of this Contract and consummation of the transaction contemplated hereby does not and will not (i) result in a breach of or default under any indenture, agreement, instrument or obligation to which Buyer is a party, or (ii) violate any applicable law.

10.3. Duty to Disclose. Seller and Buyer shall disclose to the other in writing any conditions or events that arise or occur subsequent to the Effective Date and on or before Closing, that become actually known to Seller or Buyer, as the case may be, and which contradict or modify any representation of such party set forth herein.

11. CONDEMNATION. If prior to any Closing, Seller receives notice or has actual knowledge that any Governmental Authority has instituted or has threatened to institute any proceeding relating to the taking or proposed taking of any portion of the Property by eminent domain, Seller shall promptly notify Buyer thereof in writing and Buyer shall thereafter have the right and option, within ten (10) days after having received notice thereof from Seller and as Buyer's sole and exclusive remedy, to elect in writing to: (a) continue this Contract in full force and effect, notwithstanding such taking or threatened taking, in which case Buyer will be required to continue the purchase of the Property without reduction of the Purchase Price and Seller shall assign or deliver (depending upon which is applicable) to Buyer all applicable condemnation proceeds at Closing; or (b) terminate this Contract, whereupon the Deposit shall be returned to Buyer and both parties shall be relieved of all obligations to the other [except those obligations that survive as expressly provided elsewhere in this Agreement]). Failure of Buyer to make a written election as aforesaid will constitute an election to continue this Contract.

12. NO REAL ESTATE BROKER. Buyer and Seller each hereby represent and warrant to the other that it has not dealt with any broker or finder in connection with this Contract or the transaction contemplated hereby.

13. DEFAULT AND REMEDIES.

13.1. Seller's Default – Buyer's Remedies. Subject to the entry of the Approval Order, if Seller fails to fulfill any of its obligations hereunder, due to reasons other than Buyer's default under this Contract, and such failure continues for more than ten (10) days following written notice thereof from Buyer, then Seller will be in default under this Contract and Buyer as Buyer's sole and exclusive remedy, may: (a) enforce specific performance of this Contract, or (b) terminate this Contract by written notice delivered to Seller, in which event the Deposit will be refunded to Buyer and both parties shall be relieved of all obligations to the other except those obligations that survive as expressly provided elsewhere in this Agreement. If the nature of the default requires more than ten (10) days to cure and Seller proceeds in good faith within said ten (10) days to commence such cure and is diligently proceeding therewith, then Seller shall not be in default and Seller shall have such additional time as required to complete such cure (not to extend however beyond the outside Closing Date).

13.2. Buyer's Default – Seller's Remedies. Subject to entry of an Approval Order, if Buyer fails to fulfill any of its obligations hereunder, due to reasons other than Seller's default

under this Contract, and such failure continues for more than ten (10) days following written notice thereof from Seller, then Buyer will be in default under this Contract and Seller may as Seller's sole and exclusive remedy (a) enforce specific performance of this Contract, or (b) terminate this Contract by written notice delivered to Buyer, in which event the Deposit will be delivered to Seller and both parties shall be relieved of all obligations to the other except those obligations that survive as expressly provided elsewhere in this Agreement. If the nature of the default requires more than ten (10) days to cure and Buyer proceeds in good faith within said ten (10) days to commence such cure and is diligently proceeding therewith, then Buyer shall not be in default and Buyer shall have such additional time as required to complete such cure (not to extend however beyond the outside Closing Date).

14. **NOTICES.** Any notice or other communication to be given or served upon any party hereto in connection with this Contract must be in writing and delivered to the party (i) in person, (ii) by facsimile transmission (with the original and a copy of the facsimile confirmation following in the United States mail or by other means of delivery permitted herein), (iii) by electronic transmission (with a copy following in the United States mail or by other means of delivery permitted herein), (iv) by overnight delivery service (including FedEx), or (v) by certified mail, return receipt requested. If such notice is given in person or via facsimile or electronic transmission, such notice will be deemed to have been given when received. If such notice is sent by overnight delivery service, such notice is deemed received at the time of delivery of such notice. If such notice is sent by certified mail, such notice will be deemed received upon delivery. Any notice, however delivered, that is confirmed or acknowledged (excluding any automatically generated electronic acknowledgement) by a party below to have been received by such party is effective notice.

Notices or other communication will be sent to the parties at the following addresses:

If to Seller: Lawrence D. Fromelius
c/o Jenn Meier
5611 Walnut Avenue
Downers Grove, IL 60516

With a copy to: William J. Factor
Factor Law
105 W. Madison Street, Suite 1500
Chicago, Illinois 60602
Phone: 312-878-6976
Fax: 847-574-8233
E-mail: wfactor@wfactorlaw.com

If to Buyer: Galena Road Gravel, Inc.
4520 Main Street, Suite 1500
Kansas City, MO 64111
Attn: Peter Powell
E-mail: pep@phrholdings.com

With a copy to: Lathrop & Gage LLP
Pierre Laclède Center
7701 Forsyth Boulevard, Suite 500

Clayton, Missouri 63105
Attn: Michael J. Adrian
Phone: 314-613-2832
Fax: 314-613-2801
E-mail: madrian@lathropgage.com

Any party may change its address, facsimile number, e-mail address or telephone number for the purpose of this paragraph by giving written notice of such change to each of the other parties in the manner herein provided. To be effective, such notice of change must expressly state that it is given for the purpose of changing the notice provisions of this Contract.

15. MISCELLANEOUS.

15.1. Stove. Prior to the Closing, Seller shall have the right to remove and retain one of the wood burning stoves and any of the personal property from the residences on the Property. Seller also shall have the right prior to the Closing to remove any of the Barnwood located on the Property.

15.2. Binding Agreement; Entire Agreement. The terms and conditions of this Contract are binding on the parties hereto and their executors, heirs, administrators, successors and assigns. This Contract embodies the entire agreement between the parties regarding the subject matter hereof, supersedes all prior negotiations, understandings and agreements, written and oral, and may not be varied except by a written agreement executed by Buyer and Seller.

15.3. Assignment. This Contract may not be assigned in whole or in part by either party without the written consent of the other and any attempt to assign this Contract without such consent will be of no effect and will be a default hereunder; however, Buyer may assign its rights and delegate its duties hereunder without Seller's prior written consent if such assignment is to an entity which is a parent, subsidiary or affiliate of Buyer, provided Buyer's liability hereunder shall continue and Buyer shall not be released from its obligations hereunder.

15.4. Dates. If the final day of a period or a date of performance under this Contract falls on a Saturday, Sunday or legal holiday, then the final day of any such period or any such date of performance will be deemed to fall on the next day which is not a Saturday, Sunday or legal holiday. For the final day of a period or a date of performance under this Contract, the deadline for such period and for performance shall be at 5 p.m. Central Time on the final day of the applicable period or for the date of performance.

15.5. Exhibits. All exhibits referred to herein and attached hereto are incorporated into this Contract as though fully set forth herein. To the extent of any conflict between the provisions in any exhibit or addenda attached to this Contract and the provisions in the body of this Contract, the provisions in the body of this Contract shall control.

15.6. Counterparts. This Contract may be executed in counterparts, each of which shall constitute an original, but all of which, when taken together, shall constitute one agreement.

15.7. No Partnership. Nothing contained herein and no act by Buyer or Seller in the performance of or in any way related to, this Contract will be construed to create or evidence in any manner an employment, partnership, agency or joint venture relationship between the

parties hereto.

15.8. Obligations to Survive. All representations, warranties, obligations and other agreements shall survive Closing and the execution and delivery of a Deed, and shall not be merged therein, for a period of six (6) months after Closing. With respect to a termination of this Contract, all representations, warranties, obligations and other agreements shall not survive a termination, unless otherwise provided herein.

15.9. No Third-Party Beneficiaries. Nothing in this Contract, expressed or implied, is intended to confer any rights or remedies under or by reason of this Contract on any person other than the parties to it and their respective permitted successors and assigns, nor is anything in this Contract intended to relieve or discharge any obligation of any third person to any party hereto or give any third person any right of subrogation or action over or against any party to this Contract.

15.10. No Waiver. No waiver by one party of the other's default, or any failure of one party to exercise any right granted to the party hereunder, will constitute a subsequent waiver of any default or right.

15.11. Time of the Essence. Time is of the essence in the performance of all obligations by Buyer and Seller under this Contract.

15.12. Headings. The headings contained in this Contract are for reference purposes only and will not be considered in interpreting this Contract.

15.13. Construction of Contract. All of the parties to this Contract participated freely in the negotiation and preparation hereof. Accordingly, this Contract shall not be more strictly construed against any one of the parties hereto.

15.14. Governing Law. This Contract will be governed by and construed in accordance with the laws of the state in which the Property is located.

15.15. No Shop. Until the earlier to occur of (a) the closing of the transaction described herein, or (b) the termination of this Contract, Seller agrees not to solicit or engage, directly or indirectly, in any discussions with, or furnish or cause to be furnished any information to, any other person in connection with the sale of the Property. If any one or more of the foregoing covenants are violated and such discussions result in acceptance of an offer from a third party, in addition to any other remedies available to Buyer, Seller shall promptly pay Buyer all reasonable costs and expenses, including attorneys' fees, arising out of the negotiation of this transaction, the Contract, and all other activities engaged in with respect to this transaction (the foregoing not to exceed in any event the cumulative sum of \$5,000). This provision shall survive the expiration or termination of this Contract. The foregoing is subject to the requirements of the Bankruptcy Case before the Court and any obligations of Seller in connection therewith.

15.16. Facsimile/Electronic Execution. This Contract may be signed and transmitted electronically or by facsimile machine or telecopier; the signature of any person on an electronically or facsimile transmitted copy hereof shall be considered an original signature; and an electronically or facsimile transmitted copy hereof shall have the same binding effect as an original signature on an original document. At the request of any party hereto, any electronic, facsimile or telecopy copy of this Contract shall be re-executed in original form. No party hereto

may raise the use of electronic mail, a facsimile machine or telecopier or the fact that any signature was transmitted through the use of electronic mail or a facsimile or telecopier as a defense to the enforcement of this Contract or any amendment or other document executed in compliance with this Section.

[SIGNATURES ON THE FOLLOWING PAGE]

IN WITNESS WHEREOF, the Seller and Buyer, intending to be legally bound, have executed this Real Estate Sale Contract as of the date set forth below.

SELLER:

Lawrence D. Fromelius

Date: _____

BUYER:

Galena Road Gravel, Inc., an Illinois corporation

By: _____

Name: _____

Title: _____

Date: _____

TITLE COMPANY ACKNOWLEDGMENT

The undersigned Title Company acknowledges its receipt of an executed copy of this Contract as of the date set forth below, agrees that it is the "reporting person" for purposes of Section 6045(e) of the Internal Revenue Code of 1986, as amended, and agrees to comply with the terms of this Contract applicable to Title Company, including the obligation to hold and disburse the Deposit and Additional Deposit.

FIRST AMERICAN TITLE COMPANY

By: _____

Name: _____

Title: _____

Date: _____

EXHIBIT A

THE PROPERTY

[To be inserted]