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UIS CHANCELLOR'S OFFICE  
BOARD OF TRUSTEES

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President's Office  
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MEMORANDUM OF UNDERSTANDING

This Agreement is made and entered into as of this 5<sup>th</sup> day of September, 2007, by and between The Board of Trustees of the University of Illinois, a body corporate and politic of the State of Illinois, hereinafter referred to as "Owner," and Loebel Schlossman & Hackl, a corporation existing under the laws of the State of Delaware, hereinafter referred to as "Professional Services Consultant."

WITNESSETH:

WHEREAS, the University intends to build a new student residence hall on its Springfield campus commonly known as the Residence Hall on Eliza Farnham Drive (hereinafter referred to as "Project"), and

WHEREAS, the University has retained the Professional Services Consultant to provide professional services in connection with the Project, and

WHEREAS, bids for the construction of the Project have recently been solicited pursuant to and in accordance with the Illinois Procurement Code, and

WHEREAS, Core Construction, hereinafter referred to as "Contractor" is the low bidder for the general work division with a bid of \$10,252,000 (including alternates) and,

WHEREAS, the Contractor's initial low bid exceeds the Professional Service Consultant's estimate, and

WHEREAS, the parties desire to set forth in writing some substantive terms and conditions that will support this Project going forward within appropriate fee and time constraints.

NOW THEREFORE, for and in consideration of the terms and conditions hereinafter set forth, it is agreed by the parties hereto as follows:

1. The Contractor will reduce its initial low bid by the amount of \$750,000 so that the Contractor's current bid, with alternates, will total \$9,502,000. The Contractor has acknowledged that the reduction in price has not resulted in any changes to the scope of the work as originally bid.
2. The parties agree that no change orders will be processed that will increase the Project costs unless approved by the Owner's designated representative.
3. The Professional Services Consultant agrees that the plans and specifications for the project are adequate to advise the Contractor regarding the nature and extent of all of the services to be performed by the Contractor, which the Contractor has agreed to perform for the price of \$9,502,000, and the Professional Services

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Consultant further agrees that the Project can and will be completed by the August 1, 2008 completion deadline.

4. The parties agree that the terms and conditions of this Agreement will control and supersede the terms and conditions contained in the November 9, 2006 agreement between the Owner and the Professional Services Consultant to the extent that such terms and conditions are in conflict.
5. Nothing in the Agreement, however, is intended to otherwise affect the rights and obligations of the parties under the November 9, 2006 agreement between the Owner and the Professional Services Consultant, except as expressly set forth herein.
6. This Agreement is subject to and conditioned upon the approval of the Board of Trustees of the University of Illinois of an award of contract to the Contractor for the general work division of the Project and the subsequent execution of a construction agreement between the Owner and the Contractor. If such Board of Trustees' approval is not forthcoming by September 10, 2007, then this Agreement shall be null and void and unenforceable by any party.
7. The parties agree that any copy of this Agreement containing wet and/or facsimile signatures of all parties shall constitute a binding agreement upon all parties and shall be considered an original document. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, that when taken together shall constitute one single agreement of the parties herein.

IN WITNESS WHEREOF, the parties to this Agreement have caused this Agreement to be executed in the manner appropriate to each, all as and of the day and year first written,

The Board of Trustees of the University of Illinois (Owner)

By: R.A.P.  
Chancellor - Springfield Campus

By: [Signature]  
Comptroller

Attest: Mildred M. Thompson 9/10/07  
Secretary of the Board of Trustees

By: [Signature]  
Legal Counsel - as to form

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Loeb Schlossman & Hackl (Professional Services Consultant)

By: James B. Mitchell  
Vice President

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