

PROPERTY VALUE GUARANTEE AGREEMENT

This Property Value Guarantee Agreement (“Agreement”) made and entered into on this ___ day of _____, by and between Waste Management of Illinois, Inc., a Delaware corporation having its principal offices at 720 E. Butterfield Rd., Lombard, Illinois 60148 (“Guarantor”) and _____, residing at _____, Illinois (“Property Owners”).

RECITALS

WHEREAS, Property Owners own eligible Property as described herein (“Property”), that Property having the legal description as follows:

[INSERT LEGAL DESCRIPTION OF PROPERTY WITHIN ONE-HALF MILE RADIUS OF DEKALB EXPANSION]

WHEREAS, Waste Management, Illinois [“Guarantor”] has, pursuant to §39.2 of the Illinois Environmental Protection Act [“Act”], obtained siting approval from DeKalb County and all appropriate permits from the Illinois Environmental Protection Agency required for the expansion of the DeKalb Recycling & Disposal Facility [“DeKalb Expansion”];

WHEREAS, Guarantor desires to alleviate concerns about the preservation of Property values located in proximity to the DeKalb Expansion, specifically within a one-half mile radius of the DeKalb Expansion footprint; and

WHEREAS, Property Owners are desirous of preserving equity in the Property, by ensuring that if the Property described herein is sold at a price less than the ASKING PRICE as a result of proximity to the DeKalb Expansion, as determined by the procedures contained herein, the Guarantor will guarantee payment to the Property Owners of such difference;

IT IS HEREBY AGREED AS FOLLOWS:

1. **EFFECTIVE DATE OF AGREEMENT.** This Agreement shall become effective and binding on Guarantor when signed by both parties. Notwithstanding the foregoing, if an administrative agency or court of competent jurisdiction rules or holds that the permit issued by the Illinois Environmental Protection Agency for the DeKalb Expansion has been in excess of or in violation of said governmental body’s authority or otherwise unlawful, then Guarantor’s obligations under this Agreement shall be null and void.

2. ELIGIBILITY: EXERCISE OF GUARANTEE. Property within one-half mile of the footprint of the DeKalb Expansion is covered by this guarantee, to the extent developed on _____, 2009, the date DeKalb County and Guarantor entered into a Host Community Agreement for the DeKalb Expansion (“Expansion Agreement Date”). For example, if eligible Property was undeveloped and used as farmland as of the Expansion Agreement Date, the Property value guaranteed herein would be as undeveloped property. Owners of such Property who were owners of record as of the Expansion Agreement Date (“Property Owners”), or their legitimate heirs or assigns as described in Paragraph 13, are eligible to exercise this guarantee. In the event that the Property Owners wish to sell their eligible Property, and exercise the guarantee set out in this Agreement, they shall notify Guarantor of same in writing by certified mail and thereafter they shall make a good faith effort to sell said Property by entering into a listing contract with a licensed real estate broker pursuant to the terms herein.

3. QUALIFIED PROFESSIONAL APPRAISER. For the purposes of this Agreement, a “qualified professional appraiser” shall mean a person who is licensed by the State of Illinois, not related to the Property Owners, who is not an employee or contractor of Waste Management and does not otherwise have a business relationship with Waste Management, and who is a member of at least one national appraisal association. All appraisal reports shall conform to the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.

4. AGREED TO ASKING PRICE. The ASKING PRICE is the value of the Property at the time the Property Owner decides to sell. The ASKING PRICE of the Property may be mutually agreed to by the Property Owners and the Guarantor. The ASKING PRICE may be mutually amended by the Property Owners and Guarantor at any time, subject to agreement.

5. DETERMINATION OF ASKING PRICE BY APPRAISAL. If the parties are unable to agree on the ASKING PRICE of the Property prior to the Property Owner listing the Property for sale, then the Guarantor shall hire, at its expense, a qualified professional appraiser, and shall notify Property Owner of such appraiser. If the Property Owner objects to the Guarantor’s choice of appraisers, it shall state those objections, in writing, within thirty days of the notification of the choice of appraisal, to Guarantor. In the event Property Owner reasonably objects, the Guarantor shall choose another qualified professional appraiser, and proceed as described below.

When a qualified professional appraiser is hired pursuant to this Paragraph 5, he or she shall be instructed to determine the fair market value (which will become the ASKING PRICE) of the Property as follows:

- a. Assume that no landfilling activities were being undertaken or would be undertaken at the DeKalb Expansion;
- b. Utilize comparable property, developed as the Property was developed as of the Expansion Agreement Date and located a

sufficient distance away from the DeKalb Expansion so that, in the opinion of the appraiser, the selling price of that property was not influenced by the presence of the DeKalb Expansion;

- c. Utilize comparable property, located approximately the same distance from major population centers (such as DeKalb) so that in the opinion of the appraiser the selling price of the comparable property was not influenced by its closer proximity to new or existing population centers.
- d. Establish a fair market value which is based upon the Property as developed on the Expansion Agreement Date (without considering any development, including new structures, after the Expansion Agreement Date);
- e. Prepare a full narrative appraisal, which conforms to the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute;
- f. Prepare the appraisal in full compliance with any and all state standards and state regulations which pertain to the preparation of an appraisal of the Property except those standards and regulations which conflict with these instructions;
- g. The appraiser shall note the condition of the premises, both interior and exterior, at the time of the appraisal; and
- h. The appraisal shall not consider the price paid for the land acquired for the Landfill site.

If Property Owner and Guarantor accept the appraised value, then such value shall constitute the ASKING PRICE, and the Property Owners shall offer the above-described Property for sale at no less than that price.

If either the Property Owner or the Guarantor does not accept the appraised value, the non-accepting party may retain a second qualified professional appraisal, of its choice, who shall not be made aware of the first appraised value and who shall determine the fair market value of the above-described Property on the basis of Paragraph 4 (a) through (h) above. If both parties do not accept the original appraisal, they shall agree to the second qualified professional appraiser and split the costs. In the event a second appraised value is obtained pursuant to this paragraph is within fifteen percent (15%) of the first appraisal, the ASKING PRICE shall be the arithmetic average of the original appraised value and the second appraised value, unless the Guarantor is unsatisfied with such value.

In such event, the first two appraisers shall hire a third qualified professional appraisal, at the sole expense of the Guarantor, who shall not be made aware of either the first or second appraised values, and who shall determine the fair market value of the above-described Property on the basis of Paragraph 4 (a) through (h) above. The ASKING PRICE will then be the arithmetic average of the three appraised values within fifteen percent (15%) of each other and if none are within fifteen percent (15%) of each other the third appraisal shall conclusively determine the ASKING PRICE for the purpose of this Agreement.

6. LISTING WITH BROKER. Property Owners shall utilize the services of a real estate broker who shall be licensed in Illinois, shall not related to the Property Owners and, unless waived by the Guarantor, shall be a member of the Board of Realtors Multiple Listing Exchange. Property Owners shall give Guarantor notice of the broker with whom they wish to contract and shall obtain Guarantor's approval of said broker. Guarantor will not unreasonably withhold such approval. If the Guarantor objects to the Property Owners' choice of brokers, it shall state those objections, in writing, to Property Owners. In the event Guarantor reasonably objects, the Property Owners shall choose another broker, and proceed as described above. As sellers of the Property, Property Owners shall be responsible for the broker's fee. Nothing herein shall prevent the Property Owner from marketing the Property at a value higher than the ASKING PRICE as determined herein.

7. TERM OF LISTING. Property Owners shall list the Property, at the ASKING PRICE as determined in Paragraphs 4 or 5 above, or at a higher value. During the listing term, Property Owners shall accept any offer of purchase for the ASKING PRICE, or any offer of purchase otherwise acceptable to the Guarantor

Said listing contract shall provide: (a) that the broker shall list the Property in the multiple listing exchange; (b) that the Property will be so listed until the occurrence of either the (i) sale of the Property or (ii) expiration of a period of 270 days; (c) that the broker shall not be entitled to any commission after the expiration of the listing contract.

The Property Owners shall cooperate with the broker in obtaining a purchaser pursuant to the terms set forth in the listing agreement and shall make, in good faith, all reasonable efforts necessary to conclude a sale pursuant to the said terms.

8. OFFERS TO PURCHASE. The Property Owners shall accept any offer of purchase for the ASKING PRICE and, in such event, Guarantor will have no liability to Property Owners. Property Owners shall provide the Guarantor with written notification of every Offer to Purchase that they receive for the Property and agree, for a period of 270 days, not to accept any offer below the ASKING PRICE without the express and written approval of the Guarantor. In no event shall the Property Owners entertain anything other than good faith, bona fide offers of purchase.

9. GUARANTOR'S CONSENT TO PURCHASE. Guarantor shall have the right to make counter offers on any offers of purchase which are below the ASKING PRICE. In the event the purchaser accepts any such counter offer made or requested by the Guarantor, or in the event the Guarantor otherwise consents to a sale of the Property below the ASKING PRICE, the Guarantor shall pay the Property Owners, at closing, the difference between the ASKING PRICE and the sales price so established.

10. SALE WITHOUT GUARANTOR'S CONSENT. If the Property Owners have not received an offer of purchase at the ASKING PRICE within 270 days of listing the Property for sale, or the Guarantor has not consented to the sale of the Property below the ASKING PRICE, the Property Owners may sell the Property at the highest offer of purchase still pending or at the next good faith bona fide offer to purchase. It shall notify the Guarantor, in writing, of its intention to accept such offer.

11. PROPERTY OWNER'S CLAIM. If the Property has sold for less than the ASKING PRICE, as determined herein, and Property Owner reasonably believes that the reason for such lowered value is because of the Property's proximity to the DeKalb Expansion, it shall make a claim to the Guarantor, requesting payment for the difference between the ASKING PRICE and the sales price. Within thirty days of such request, Guarantor shall pay the Property Owner the difference unless Guarantor, within that time, has invoked the procedures set forth in Paragraph 12.

12. GUARANTOR APPEAL. Within thirty days of receipt of any claim from Property Owner pursuant to Paragraph 11 above, if Guarantor has a reasonable good faith belief that the difference in value between the ASKING PRICE and purchase price was not attributable to the Property's proximity to the DeKalb Expansion, it shall simultaneously notify the Property Owners, by certified letter, and the DeKalb County Administrator, also by certified letter. Within thirty days of the Property Owner's receipt of such notice, the Guarantor shall retain an independent appraiser, subject to the approval of the DeKalb County Administrator, at Guarantor's expense, for the purpose of making a determination of whether (and to what extent) the difference in value between the ASKING PRICE and the actual sales price is caused by factors other than the DeKalb Expansion, which determination shall be binding. To the extent the difference in value is determined to be caused by other than the DeKalb Expansion, the difference between the ASKING PRICE and the sales price which is guaranteed shall be reduced.

13. TERMINATION OF GUARANTOR'S OBLIGATIONS. This Agreement shall terminate and Guarantor shall have no obligation to guarantee the purchase price once waste is no longer disposed of at the DeKalb Expansion and the Illinois Environmental Protection Agency has issued Guarantor a closure certification. For this Agreement "waste is no longer being disposed of" shall occur when: (a) the disposal of waste at the DeKalb Expansion has been permanently terminated as the result of an order, judgment, or decree issued by a federal, state, or local agency, court, or unit of government having jurisdiction under administrative code, statute, law, or ordinances;

(b) any agency having jurisdiction fails to issue or revokes any license, permit, or approval needed by the Guarantor to operate the DeKalb Expansion; (c) the DeKalb Expansion has reached its approved design capacity; or (d) the Guarantor voluntarily elects to permanently cease disposing of waste at the DeKalb Expansion despite the fact that there is remaining capacity, provided, however, that this Agreement will continue in full force and effect for 25 years after any termination of disposal operations at the DeKalb Expansion as a result of (i) an order, judgment or decree issued by a court of competent jurisdiction due to Guarantor's failure to comply with applicable regulatory requirements or (ii) the revocation of (or refusal to grant) any license, permit or approval needed to operate due to Guarantor's failure to comply with applicable regulatory requirements.

14. ASSIGNMENT OR TRANSFER. Neither this Agreement nor the rights under it may be assigned, conveyed, or otherwise transferred by Property Owners. The guarantee given by Guarantor to guarantee the Property value and to purchase the Property is personal, and does not run with the land; however, said Agreement shall inure to the benefit of the Property Owners, their personal representatives, trustees, guardians, custodians or their heirs; but, in all events, shall terminate as described in Paragraph 13.

15. APPLICATION OF LAW; DISPUTES. This Agreement shall be construed consistent with law in the State of Illinois. Disputes concerning the application or terms of this Agreement shall be subject to the circuit court jurisdiction of DeKalb County.

GUARANTOR:

ATTEST:

Waste Management of Illinois, Inc.

By _____

Its: _____

Its: _____

DATE: _____

PROPERTY OWNERS:

WITNESS:

DATE: