

**REDEVELOPMENT AGREEMENT
(Hotel Project)**

This Redevelopment Agreement is made and entered into as of the ____ day of _____, 2019, by and between the Community Development Agency of Lexington, Nebraska (“CDA”) and Lex Lodging, LLC, a Nebraska limited liability company (“Redeveloper”).

RECITALS

- A. The CDA is a duly organized and existing community redevelopment authority, a body politic and corporate under the laws of the State of Nebraska, with lawful power and authority to enter into this Redevelopment Agreement.
- B. The City of Lexington, in furtherance of the purposes and pursuant to the provisions of Article VIII, Section 12 of the Nebraska Constitution and Neb. Rev. Stat. §§ 18-2101 to 18-2154, as amended (collectively the “Act”), has adopted a Redevelopment Plan for a blighted and substandard area designated by the City, including the Redevelopment Area.
- C. Redeveloper owns or is under contract to purchase the Project Site which is located in the Redevelopment Area.
- D. Redeveloper submitted a redevelopment project proposal to redevelop the Project Site.
- E. The CDA has approved the Redeveloper’s proposed redevelopment project, including the utilization of tax-increment financing to provide for the construction of the eligible public improvements defined in this Redevelopment Agreement.
- F. CDA and Redeveloper desire to enter into this Redevelopment Agreement for redevelopment of the Project Site.

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements herein set forth, CDA and Redeveloper do hereby covenant, agree and bind themselves as follows:

**ARTICLE I
DEFINITIONS AND INTERPRETATION**

Section 1.01 Terms Defined in this Redevelopment Agreement.

Unless the context otherwise requires, the following terms shall have the following meanings for all purposes of this Redevelopment Agreement, such definitions to be equally applicable to both the singular and plural forms and masculine, feminine and neuter gender of any of the terms defined:

- A. “Act” means Article VIII, Section 12 of the Nebraska Constitution, Neb. Rev. Stat. §§ 18-2101 through 18-2154, as amended, and acts amendatory thereof and supplemental thereto.
- B. “City” means the City of Lexington, Nebraska.
- C. “County” means Dawson County, Nebraska.
- D. “CDA” means the Community Development Agency of Lexington, Nebraska.
- E. “Effective Date” means January 1, 2021.
- F. “Eligible Project Costs” means only costs or expenses incurred by Redeveloper for Public Improvements that are eligible for reimbursement under the Act.
- G. “Minimum Project Valuation” means the amount of Ten Million Three Hundred Fifty Thousand and No/100 Dollars (\$10,350,000.00).
- H. “Private Improvements” means all the private improvements to be constructed on the Project Site as more particularly described on Exhibit “A”.
- I. “Project” means the improvements to the Project Site and adjacent thereto, including the Private Improvements and Public Improvements defined herein and described on Exhibit “A” attached and incorporated by this reference.
- J. “Project Completion Date” means December 31, 2021.
- K. “Project Site” means all that certain real property, more particularly described on Exhibit “A”.
- L. “Public Improvements” shall include all the public improvements more particularly described on Exhibit “A” which are eligible improvements under the Act. The costs of the Public Improvements include the debt service payments of the TIF Indebtedness.
- M. “Redeveloper” means Lex Lodging, LLC, a Nebraska limited liability company.
- N. “Redevelopment Agreement” means this Redevelopment Agreement between the CDA and Redeveloper with respect to the Project.
- O. “Redevelopment Area” means the Redevelopment Area #1 that is set forth in the Redevelopment Plan.

P. "Redevelopment Plan" means the Redevelopment Plan for Redevelopment Area #1 dated adopted by the City on April 8, 2003, pursuant to Resolution 03-03, as amended from time to time.

Q. "Tax Increment" means incremental ad valorem taxes generated by the Project which are allocated to and paid to the CDA pursuant to the Act, as more particularly described in Section 3.02 of this Redevelopment Agreement.

R. "TIF Indebtedness" means any bonds, notes, loans and advances of money or other indebtedness, including interest thereon, issued by the CDA or the City secured in whole or in part by the Tax Increment.

Section 1.02 Construction and Interpretation.

The provisions of this Redevelopment Agreement shall be construed and interpreted in accordance with the following provisions:

(a) This Redevelopment Agreement shall be interpreted in accordance with and governed by the laws of the State of Nebraska, including the Act.

(b) Wherever in this Redevelopment Agreement it is provided that any person may do or perform any act or thing the word "may" shall be deemed permissive and not mandatory and it shall be construed that such person shall have the right, but shall not be obligated, to do and perform any such act or thing.

(c) The phrase "at any time" shall be construed as meaning "at any time or from time to time."

(d) The word "including" shall be construed as meaning "including, but not limited to."

(e) The words "will" and "shall" shall each be construed as mandatory.

(f) The words "herein," "hereof," "hereunder," "hereinafter" and words of similar import shall refer to the Redevelopment Agreement as a whole rather than to any particular paragraph, section or subsection, unless the context specifically refers thereto.

(g) Forms of words in the singular, plural, masculine, feminine or neuter shall be construed to include the other forms as the context may require.

(h) The captions to the sections of this Redevelopment Agreement are for convenience only and shall not be deemed part of the text of the respective sections and shall not vary by implication or otherwise any of the provisions hereof.

**ARTICLE II
REPRESENTATIONS**

Section 2.01 Representations by the CDA.

The CDA makes the following representations and findings:

(a) The CDA is a duly organized and validly existing community redevelopment authority under the Act.

(b) The CDA deems it to be in the public interest and in furtherance of the purposes of the Act to accept the proposal submitted by Redeveloper for the redevelopment of the Project Site as specified herein.

(c) The Project will achieve the public purposes of the Act by, among other things, increasing employment, increasing the tax base, and lessening blighted and substandard conditions in the Redevelopment Area.

(d) The costs and benefits of the Project, including costs and benefits to other affected political subdivisions, the economy of the community, and the demand for public and private services have been analyzed by the CDA and have been found to be in the long-term best interest of the community impacted by the Project.

Section 2.02 Representations of Redeveloper.

Redeveloper makes the following representations and findings:

(a) Redeveloper is a Nebraska limited liability company and has the power to enter into this Redevelopment Agreement and perform all obligations contained herein and by proper action has been duly authorized to execute and deliver this Redevelopment Agreement.

(b) The execution and delivery of the Redevelopment Agreement and the consummation of the transactions therein contemplated will not conflict with or constitute a breach of or default under any bond, debenture, note or other evidence of indebtedness or any contract, loan agreement or lease to which Redeveloper is a party or by which it is bound, or result in the creation or imposition of any lien, charge or encumbrance of any nature upon any of the property or assets of Redeveloper contrary to the terms of any instrument or agreement.

(c) There is no litigation pending or to the best of its knowledge threatened against Redeveloper affecting its ability to carry out the acquisition, construction, equipping and furnishing of the Project or the carrying into effect of this Redevelopment Agreement or, except as disclosed in writing to the CDA, as to any other matter materially affecting the ability of Redeveloper to perform its obligations hereunder.

(d) Redeveloper owns or has contracted to purchase and shall own the Project Site in fee simple and free from any liens, encumbrances, or restrictions which would prevent the performance of this Agreement by Redeveloper.

(e) The Project would not be economically feasible without the use of tax increment financing.

(f) The Project would not occur in the Redevelopment Area without the use of tax increment financing.

ARTICLE III
OBLIGATIONS OF THE CDA AND PUBLIC IMPROVEMENTS

Section 3.01 Capture of Tax Increment.

Subject to the contingencies described below and to all of the terms and conditions of this Agreement, commencing for the tax year of the Effective Date and continuing thereafter, the CDA shall capture the Tax Increment from the Private Improvements pursuant to the Nebraska Community Development Law. The CDA shall capture the Tax Increment generated by the Project Site for a total period of not to exceed fifteen (15) years after the Private Improvements have been included in the assessed valuation of the Project Site and is generating the Tax Increment subject to capture by the CDA. The effective date of this provision shall be the Effective Date. The CDA shall file with the County Assessor of the County the “Notice to Divide Taxes” on or prior to August 1st in the year of the Effective Date.

Section 3.02 Tax Increment.

The term Tax Increment shall mean, in accordance with Neb. Rev. Stat. § 18-2147 of the Nebraska Community Development Law, the difference between the ad valorem tax which is produced by the tax levy (fixed each year by the County Board of Equalization) for the Project Site before the completion of the construction of the Private Improvements and the ad valorem tax which is produced by the tax levy for the Project Site after completion of construction of the Private Improvements as part of the Project. The “Anticipated Tax Increment” for this Project is calculated and set forth on Exhibit “B”.

Section 3.03 Issuance of TIF Indebtedness.

On or after thirty (30) days following the approval and execution of this Agreement, the CDA shall issue TIF Indebtedness in the approximate amount of One Million Eight Hundred Thousand and No/ 100 Dollars (\$1,800,000.00), as calculated on the attached and incorporated Exhibit “B”. The TIF Indebtedness shall be in the form of a TIF Promissory Note attached hereto as Exhibit “E” and incorporated by this reference (“TIF Note”). The TIF Note shall be purchased by the Redeveloper or the lender of the Redeveloper. The Redeveloper shall locate any lender to fund the acquisition of the TIF Note and TIF Indebtedness. The TIF Indebtedness shall be secured by a pledge of the Tax Increment. The TIF Indebtedness shall not be a general obligation of the CDA or City which shall issue the TIF Note solely as a conduit.

Section 3.04 Use of TIF Indebtedness.

CDA will collect the Tax Increment and use said Tax Increment to pay debt service on the TIF Indebtedness incurred as provided in Section 3.03 of this Redevelopment Agreement. Notwithstanding the foregoing, the amount of the TIF Indebtedness that the CDA agrees to service and repay with the Tax Increment shall not exceed the amount of the Eligible Project Costs certified pursuant to Section 4.03.

Section 3.05 Creation of Fund.

CDA will create a special fund to collect and hold the receipts of the Tax Increment. Such special fund shall be used for no purpose other than to pay TIF Indebtedness issued pursuant to Section 3.03 above.

**ARTICLE IV
CONSTRUCTION OF THE PROJECT; RELATED OBLIGATIONS**

Section 4.01 Evidence of Financial Ability.

The Redeveloper shall, no later than ninety (90) days following the execution of this Agreement, provide to the CDA evidence of availability of the specific amount of finances necessary for purposes of carrying out the commitment of the Redeveloper in connection with acquisition of the Project Site and construction of the Private Improvements. To the extent allowed by law, the CDA agrees to keep said information confidential. Such information shall state the amount and source of liquid assets on hand or immediately available to the Redeveloper for use in constructing the Private Improvements; and shall state the amount and source of debt financing which is available, or irrevocably committed, to the Redeveloper for use in completing the Private Improvements. Such information shall be provided in a form satisfactory to the CDA, and evidence of loan commitments shall include all of the documents evidencing the loan commitment, acceptance by the Redeveloper, the purposes of the loan, the authorized use of loan funds, and all other terms and conditions of the loan commitment, the acceptance, and the loan. Submittal of such financial information in a form satisfactory to the CDA shall be a condition precedent to the requirement of the CDA to proceed with its obligations under this Agreement.

Section 4.02 Construction of Project; Insurance.

(a) Redeveloper will complete the Public Improvements and Private Improvements as described on Exhibit "A" and install all equipment necessary to operate the Public Improvements and Private Improvements no later than the Project Completion Date. Redeveloper shall be solely responsible for obtaining all permits and approvals necessary to acquire, construct and equip the Public Improvements and Private Improvements. Promptly after completion by Redeveloper of the Public Improvements and Private Improvements, Redeveloper shall furnish to the CDA a Certificate of Completion, the form of which is attached as Exhibit "C" and incorporated by this reference. If signed by the CDA, then the certification by Redeveloper shall be a conclusive determination of satisfaction of the agreements and covenants in this Redevelopment Agreement with respect to the

obligations of Redeveloper to construct the Public Improvements and Private Improvements.

(b) Any contractor chosen by Redeveloper or Redeveloper itself shall be required to obtain and keep in force at all times until completion of construction, policies of insurance including coverage for contractors' general liability and completed operations (provided that Redeveloper may self-insure in lieu of obtaining and keeping in force such policy of insurance) and a penal bond as required by the Act. Redeveloper shall be named as an additional insured. Any contractor chosen by Redeveloper or Redeveloper itself, as an owner, shall be required to purchase and maintain property insurance upon the Project to the full insurable value thereof (provided that Redeveloper may self-insure in lieu of obtaining and keeping in force such policy of insurance). This insurance shall insure against the perils of fire and extended coverage and shall include "special causes of loss" insurance for physical loss or damage.

Section 4.03 Cost Certification.

For any and all Public Improvements that will be paid with TIF Indebtedness, Redeveloper shall submit to CDA a final construction budget or other documentation to certify the Eligible Project Costs. The certification of the Eligible Project Costs shall be subject to review and approval by the CDA. Determinations by the CDA whether costs included in the Eligible Project Costs Certification are properly included in Eligible Project Costs as defined in this Agreement shall be made in its reasonable discretion.

Section 4.04 No Discrimination.

Redeveloper agrees and covenants for itself, its successors and assigns that as long as this Redevelopment Agreement is outstanding, it will not discriminate against any person or group of persons on account of race, sex, color, religion, national origin, ancestry, disability, marital status or receipt of public assistance in connection with the Project. Redeveloper, for itself and its successors and assigns, agrees that during the construction of the Project, Redeveloper will not discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin, ancestry, disability, marital status or receipt of public assistance. Redeveloper will comply with all applicable federal, state and local laws related to the Project.

Section 4.05 Pay Real Estate Taxes; Payments in Lieu of Taxes.

(a) Redeveloper has agreed to create a taxable real property valuation of the Project and Project Site of not less than the Minimum Project Valuation no later than the Effective Date. During the period of this Agreement, Redeveloper, its successors and assigns, will: (1) not protest a real estate property valuation of the Project and Project Site to a sum less than or equal to the Minimum Project Valuation; and (2) not convey the Project Site or structures thereon to any entity

which would be exempt from the payment of real estate taxes or cause the nonpayment of such real estate taxes.

(b) If, during the period of this Agreement, the Project Site is assessed at less than the Minimum Project Valuation, Redeveloper shall either: (1) successfully protest the valuation of the Project Site upwards such that the valuation is equal to or greater than the Minimum Project Valuation; or (2) make semi-annual payments in lieu of taxes (“Deficiency Payments”) in the amount the Anticipated Tax Increment, as defined in Exhibit “B”, exceeds the actual Tax Increment; provided however, Redeveloper shall only be obligated to make Deficiency Payments to the extent that the actual Tax Increment is insufficient to meet the current debt service payments on the TIF Note. Said Deficiency Payments shall be made within thirty (30) days of written notice from the CDA. If Redeveloper makes any Deficiency Payments, Redeveloper shall be entitled to receive reimbursement of such Deficiency Payments to the extent Tax Increment later becomes available during the TIF Period in any amount in excess of the amount necessary to meet the current debt service payments.

Section 4.06 No Assignment or Conveyance.

(a) Redeveloper shall not convey, assign or transfer the Project Site or any interest therein prior to substantial completion of construction of the Project without the prior written consent of the CDA, which shall not be unreasonably withheld and which the CDA may make subject to any terms or conditions it reasonably deems appropriate, except for the following conveyance, which shall be permitted without consent of the CDA: any conveyance as security for indebtedness: (i) previously incurred by Redeveloper or incurred by Redeveloper after the effective date for Project costs or any subsequent physical improvements to the premises with the outstanding principal amount of all such indebtedness (whether incurred prior to or after the effective date of this Agreement) secured by the Project Site which shall have lien priority over the obligations of Redeveloper pursuant to this Redevelopment Agreement, or (ii) any additional or subsequent conveyance as security for indebtedness incurred by Redeveloper for Project costs or any subsequent physical improvements to the premises provided that any such conveyance shall be subject to the obligations of Redeveloper pursuant to this Redevelopment Agreement.

(b) After Redeveloper has completed construction of the Private Improvements and Public Improvements, Redeveloper shall have the right, without the consent of the CDA, to transfer and convey the Project Site to a non-exempt third party purchaser, provided that said non-exempt third party purchaser agrees to assume the obligations of Redeveloper under this Agreement, including the obligation to maintain the Minimum Property Valuation during the TIF Period.

ARTICLE V
FINANCING PROJECT; ENCUMBRANCES

Section 5.01 Financing.

Redeveloper shall pay all costs for the construction of the Private Improvements and the Public Improvements. Redeveloper shall be responsible for arranging all necessary financing for the construction of the Private Improvements and Public Improvements and financing the TIF Indebtedness.

Section 5.02 Encumbrances.

Redeveloper shall not create any lien, encumbrance or mortgage on the Project or the Project Site except, (a) encumbrances which secure indebtedness incurred to acquire, construct and equip the Project or for any other physical improvements to the Project Site, (b) easements and rights of entry granted by Redeveloper, (c) construction and materialman liens that may be filed in connection with the construction of the Private Improvements so long as any such lien is discharged or bonded within 90 days of completion of the Private Improvements, and (d) any other liens so long as any such lien is satisfied and released or substitute security is posted in lieu thereof within 90 days of Redeveloper receiving notice thereof.

**ARTICLE VI
DEFAULT, REMEDIES; INDEMNIFICATION**

Section 6.01 General Remedies of the CDA and Redeveloper.

Subject to the further provisions of this Article VI, in the event of any failure to perform or breach of this Redevelopment Agreement or any of its terms or conditions, by either party hereto or any successor to such party, such party, or successor, shall, upon written notice from the other, proceed immediately to commence such actions as may be reasonably designed to cure or remedy such failure to perform or breach which cure or remedy shall be accomplished within a reasonable time by the diligent pursuit of corrective action. In case such action is not taken, or diligently pursued, or the failure to perform or breach shall not be cured or remedied within a reasonable time, this Redevelopment Agreement shall be in default and the aggrieved party may institute such proceedings as may be necessary or desirable to enforce its rights under this Redevelopment Agreement, including, but not limited to, proceedings to compel specific performance by the party failing to perform or in breach of its obligations; provided that, in view of the additional remedies of the CDA set out in Section 6.02, the remedy of specific performance by Redeveloper shall not include or be construed to include the covenant to build or construct the Private Improvements or Project.

Section 6.02 Additional Remedies of the CDA.

In the event that:

- (a) Redeveloper, or successor in interest, shall fail to substantially complete the construction of the Project on or before the Project Completion Date;

- (b) Redeveloper, or successor in interest, shall fail to pay real estate taxes or assessments on the Project Site or any part thereof when due, and such taxes or assessments or payments in lieu of taxes shall not have been paid, or provisions satisfactory to the CDA made for such payment within thirty (30) days following written notice from the CDA;
- (c) Redeveloper does not maintain an assessed valuation equal to or greater than the Minimum Project Valuation for the Project Site for the term of this Agreement and fails to satisfy the obligations of Section 4.05(b) of this Agreement; or
- (d) There is, in violation of Section 4.06 of this Redevelopment Agreement, transfer of the Project Site or any part thereof, and such failure or action by Redeveloper has not been cured within 30 days following written notice from the CDA;

then Redeveloper and/or Owner shall be in default of this Redevelopment Agreement; and such failure to perform, breach or default is not cured in the period herein provided, the parties agree that the damages caused to the CDA would be difficult to determine with certainty. To the extent that such failure results in the fact that the CDA is not able to capture the full amount of Tax Increment contemplated hereunder, Redeveloper shall be obligated, on an annual basis, to remit the sum by which the anticipated Tax Increment exceed the actual Tax Increment.

Section 6.03 Remedies in the Event of Other Redeveloper Defaults.

In the event Redeveloper fails to perform any other provisions of this Redevelopment Agreement (other than those specific provisions contained in Section 6.02), and such failure has not been cured within 30 days following written notice from the CDA, then Redeveloper shall be in default. In such an instance, the CDA may seek to enforce the terms of this Redevelopment Agreement or exercise any other remedies that may be provided in this Redevelopment Agreement or by applicable law.

Section 6.04 Limitation of Liability; Indemnification.

(a) Notwithstanding anything in this Article VI or this Redevelopment Agreement to the contrary, neither the CDA, City, nor their officers, directors, employees, agents or their governing bodies shall have any pecuniary obligation or monetary liability under this Redevelopment Agreement. The obligation of the CDA on any TIF Indebtedness shall be limited solely to the Tax Increment pledged as security for such TIF Indebtedness. Specifically, but without limitation, neither City nor the CDA shall be liable for any costs, liabilities, actions, demands, or damages for failure of any representations, warranties or obligations hereunder. Redeveloper releases the CDA and the City from and agrees that the CDA and the City shall not be liable for any loss or damage to property or any injury to or death of any person

that may be occasioned by any cause whatsoever pertaining to the Private Improvements.

(b) Redeveloper agrees to indemnify, defend (at the CDA's and/or the City's option) and hold harmless the CDA, the City, their respective employees, officials, agents, representatives and volunteers from and against any and all liabilities, damages, injuries (including death), property damage (including loss of use), claims, liens, judgments, costs, expenses, suits, actions, or proceedings and reasonable attorney's fees, and actual damages of any kind or nature, arising out of or in connection with any aspect of the acts, omissions, negligence or willful misconduct of Redeveloper, its employees, agents, officers, contractors or subcontractors, or Redeveloper's performance or failure to perform under the terms and conditions of this Redevelopment Agreement. Such indemnification, hold harmless and defense obligation shall exclude only such liability actions as arise directly out the sole negligence or willful misconduct of the CDA or the City. The indemnification and defense obligations set forth herein shall survive the termination of this Redevelopment Agreement.

ARTICLE VII MISCELLANEOUS

Section 7.01 Memorandum.

A Memorandum of this Redevelopment Agreement shall be recorded with the County Register of Deeds. The form of the Memorandum is attached as Exhibit "D" and incorporated by this reference.

Section 7.02 Governing Law.

This Redevelopment Agreement shall be governed by the laws of the State of Nebraska, including the Act.

Section 7.03 Binding Effect; Amendment.

This Redevelopment Agreement shall be binding on the parties hereto and their respective successors and assigns. This Redevelopment Agreement shall run with the Project Site. The Redevelopment Agreement shall not be amended except by a writing signed by the party to be bound.

Section 7.04 No Agency or Partnership.

This Redevelopment Agreement is not intended and shall not be construed to create the relationship of agent, servant, employee, partnership, joint venture or association as between: (1) the CDA and/or the City; and (2) the Redeveloper, or any officer, employee, contractor or representative of Redeveloper. No joint employment is intended or created by this Redevelopment Agreement for any purpose. Redeveloper agrees to so inform its employees, agents, contractors and

subcontractors who are involved in the implementation of or construction under this Redevelopment Agreement.

Section 7.05 Document Retention.

Redeveloper shall retain copies of all supporting documents that are associated with the Redevelopment Plan, Project, or this Redevelopment Agreement and that are received or generated by the Redeveloper for three years following the end of the last fiscal year in which ad valorem taxes are divided for the Project and provide such copies to the City as needed to comply with the City's retention requirements under the Act. Supporting documents shall include, but not be limited to, any cost-benefit analysis conducted pursuant to Section 18-2113 of the Act and any invoice, receipt, claim, or contract received or generated by the Redeveloper that provides support for receipts or payments associated with the division of taxes.

[SIGNATURE PAGES TO FOLLOW]

IN WITNESS WHEREOF, the CDA and Redeveloper have signed this Redevelopment Agreement as of the date and year first above written.

“CDA”
COMMUNITY DEVELOPMENT
AGENCY OF LEXINGTON, NEBRASKA

ATTEST:

By: _____
_____, Secretary

By: _____
_____, Chairman

STATE OF NEBRASKA)
) ss.
COUNTY OF DAWSON)

The foregoing instrument was acknowledged before me this ___ day of _____, 2019, by _____ and _____, Chairman and Secretary respectively of the Community Development Agency of Lexington, Nebraska, a public body corporate and politic, on behalf of the Authority.

Notary Public

“REDEVELOPER”
Lex Lodging, LLC, a Nebraska limited liability company

Kirti Trivedi, Manager

STATE OF NEBRASKA)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ___ day of _____, 2019, by Kirti Trivedi, Manager of Lex Lodging, LLC, on behalf of the company.

Notary Public

EXHIBIT “A”

DESCRIPTION OF PROJECT

The Project undertaken by Redeveloper on the Project Site, defined as a portion of the real estate legally described as:

Lot 2 of Goodwill Industries of Greater Nebraska, Inc. Subdivision, as amended and changed by the Administrative Lot Split of Goodwill Industries of Greater Nebraska, Inc. Subdivision, an Addition to the City of Lexington, Dawson County, Nebraska (the “Project Site”).

The Project includes the Public Improvements and the Private Improvements. The Public Improvements and Private Improvements shall consist of the following:

- (a) **Private Improvements.** The construction of an approximately 4 story, 80 room hotel, together with associated improvements on the within the Redevelopment Area.
- (b) **Public Improvements.** The Redeveloper Public Improvements shall consist of site acquisition costs, site preparation costs, grading and earthwork, stabilization and retaining walls, installation of utility improvements, public parking enhancements, façade enhancements, professional (architecture, engineering, and legal) and TIF fees, capitalized interest, and other eligible public improvements on the Project Site and in the Redevelopment Area, which public improvements are eligible improvements under the Act.

EXHIBIT "B"

TIF INDEBTEDNESS

1. **Projected Base Value:** \$77,232
2. **Projected Final Value (Minimum Project Value):** \$10,350,000
3. **Difference in Valuation:** \$10,272,768
4. **Assumed Tax Levy:** 1.893785
5. **Anticipated Tax Increment:** \$194,544
6. **TIF Indebtedness:**
 - a. **Principal Amount.** The principal amount of the TIF Indebtedness is anticipated to be \$1,800,000.00. The maximum principal amount of the TIF Indebtedness shall be the amount, together with interest accruing thereon, which can be amortized by the end of the fifteen (15) year tax increment period, solely from the Tax Increment Revenues based upon the Anticipated Tax Increment available (above).
 - b. **Payments.** Payments shall be made semi-annually commencing when the real estate taxes are fully collected for the tax year of the Effective Date in an amount sufficient to fully amortize the TIF Indebtedness on or before the final payment of taxes in the fifteenth (15th) year of the tax increment period are due and payable.
 - c. **Anticipated Maturity Date.** On or before December 31, 2036.
 - d. **TIF Period.** The period for TIF on this Project will be fifteen (15) years, commencing on the Effective Date of January 1, 2021 (tax year 2021 taxes paid in 2022) and terminating on December 31, 2026 (tax year 2035 taxes paid in 2036). Payment of ad valorem taxes in arrears pursuant to customary payments in Nebraska shall not affect the 15 year TIF period.

Note: All calculations are based on assumptions and estimates of future values that may be different than the values that are actually calculated or may vary from year to year.

ACCEPTED by the Community Development Agency of Lexington, Nebraska
this _____ day of _____, 2020.

“CDA”

COMMUNITY DEVELOPMENT
AGENCY OF LEXINGTON, NEBRASKA

ATTEST:

By: _____
_____, Secretary

By: _____
_____, Chairman

STATE OF NEBRASKA)
) ss.
COUNTY OF DAWSON)

The foregoing instrument was acknowledged before me this ___ day of _____,
2020, by _____ and _____, Chairman and Secretary respectively
of the Community Development Agency of Lexington, Nebraska, a public body
corporate and politic, on behalf of the Authority.

Notary Public

EXHIBIT “D”

**MEMORANDUM OF REDEVELOPMENT AGREEMENT
(Hotel Project)**

This Memorandum of Redevelopment Agreement (“Memorandum”) is made this ___ day of _____, 2019 by and between the Community Development Agency of Lexington, Nebraska (“CDA”) and Lex Lodging, LLC, a Nebraska limited liability company (“Redeveloper”)

1. **Redevelopment Agreement.** CDA and Redeveloper have entered into that certain Redevelopment Agreement dated as of this even date, describing the public improvements and the private improvements being made to real property owned by or under the control of Redeveloper and legally described as:

Lot 2 of Goodwill Industries of Greater Nebraska, Inc. Subdivision, as amended and changed by the Administrative Lot Split of Goodwill Industries of Greater Nebraska, Inc. Subdivision, an Addition to the City of Lexington, Dawson County, Nebraska (the “Project Site”).

2. **Tax Increment Financing.** The Redevelopment Agreement provides for the capture of the Tax Increment, as defined therein, by the CDA of the private improvements to be made by the Redeveloper for a period not to exceed fifteen (15) years after the Effective Date, as defined in the Redevelopment Agreement. The Tax Increment so captured by the CDA shall be used to pay debt service on the TIF Indebtedness incurred pursuant to the Redevelopment Agreement.

3. **Remaining Terms.** The rest and remaining terms of the Redevelopment Agreement are hereby incorporated into this Memorandum as if they were set forth in full. A full and correct copy of the Redevelopment Agreement may be inspected at the CDA offices in Lexington, Nebraska.

[SIGNATURE PAGES TO FOLLOW]

“CDA”

COMMUNITY DEVELOPMENT
AGENCY OF LEXINGTON, NEBRASKA

ATTEST:

By: _____
_____, Secretary

By: _____
_____, Chairman

STATE OF NEBRASKA)
) ss.
COUNTY OF DAWSON)

The foregoing instrument was acknowledged before me this ___ day of _____, 2019, by _____ and _____, Chairman and Secretary respectively of the Community Development Agency of Lexington, Nebraska, a public body corporate and politic, on behalf of the Authority.

Notary Public

“REDEVELOPER”

Lex Lodging, LLC, a Nebraska limited liability company

Kirti Trivedi, Manager

STATE OF NEBRASKA)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ___ day of _____, 2019, by Kirti Trivedi, Manager of Lex Lodging, LLC, on behalf of the company.

Notary Public

**EXHIBIT “E”
(FORM OF TIF PROMISSORY NOTE)**

THIS NOTE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 (“THE 1933 ACT”) AND MAY NOT BE TRANSFERRED, ASSIGNED, SOLD OR HYPOTHECATED UNLESS A REGISTRATION STATEMENT UNDER THE 1933 ACT SHALL BE IN EFFECT WITH RESPECT THERETO AND THERE SHALL HAVE BEEN COMPLIANCE WITH THE 1933 ACT AND ALL APPLICABLE RULES AND REGULATIONS THEREUNDER, OR THERE SHALL HAVE BEEN DELIVERED TO THE COMMUNITY DEVELOPMENT AGENCY OF LEXINGTON, NEBRASKA PRIOR TO TRANSFER, ASSIGNMENT, SALE OR HYPOTHECATION AN OPINION OF COUNSEL, SATISFACTORY TO THE COMMUNITY DEVELOPMENT AGENCY OF LEXINGTON, NEBRASKA TO THE EFFECT THAT REGISTRATION UNDER THE 1933 ACT IS NOT REQUIRED.

No. 1

\$1,800,000.00

UNITED STATES OF AMERICA
STATE OF NEBRASKA
COMMUNITY DEVELOPMENT AGENCY
OF THE CITY OF LEXINGTON, NEBRASKA

COMMUNITY REDEVELOPMENT REVENUE NOTE
(HOTEL PROJECT)
SERIES 2019A

Maturity Date	Interest Rate	Original Issuance Date
December 15, 2036	4.5%	

Registered Holder	Principal Amount
Lex Lodging, LLC	\$1,800,000.00

THE COMMUNITY DEVELOPMENT AGENCY OF LEXINGTON, NEBRASKA (the “Issuer”), a body politic and corporate organized and existing under the laws of the State of Nebraska, for value received hereby promises to pay, solely from the source and as hereinafter provided, to the Registered Holder identified above, or registered assigns, the Principal Amount identified above at the office of the City Treasurer, as Paying Agent and Registrar, and in like manner to pay solely from said source interest on said principal sum at the Interest Rate identified above from the Original Issuance Date identified above or from the most recent date to which interest has not been paid. Principal and accrued interest shall be payable in thirty (30) equal semi-annual installments due June 15, 2022, December 15, 2022, and each June 15 and December 15 thereafter through December 15, 2036, when all principal and accrued interest shall be due and payable. Except with respect to interest not punctually paid, the principal and interest on this Note will be paid by check or draft mailed to the Registered Holder in whose name this Note is registered at the close of business on the fifteenth calendar day next preceding the applicable maturity date at his address as it appears on such note registration books. The principal and interest of this Note is payable in any coin

or currency of the United States of America which on the respective dates of payment is legal tender for the payment of public and private debts.

This Note is designated The Community Development Agency of Lexington, Nebraska Redevelopment Revenue Note (Hotel Project), Series 2019A, aggregating One Million Eight Hundred Thousand and No/100 Dollars (\$1,800,000.00) (the "Note") in principal amount which have been issued pursuant to the Section 12 of Article VIII of the Nebraska Constitution and Neb. Rev. Stat. §§ 18-2101 through 18-2154, as amended and supplemented (the "Act") and under and pursuant to the terms of that certain redevelopment agreement between the Issuer and Lex Lodging, LLC, a Nebraska limited liability company, for the Hotel Project (the "Redevelopment Agreement"), to aid in the financing of a redevelopment project pursuant to the Act. This Note does not represent a debt or pledge of the faith or credit of the Issuer or grant to the Registered Holder of this Note any right to have the Issuer levy any taxes or appropriate any funds for the payment of the principal hereof or the interest hereon nor is this Note a general obligation of the Issuer, or the individual officials, officers or agents thereof. This Note is payable solely and only out of the Tax Increment generated by the Project defined in the Redevelopment Agreement (the "Project"). All such revenue has been duly pledged for the purpose of paying this note.

THIS NOTE AND THE INTEREST HEREON DOES NOT NOW AND SHALL NEVER CONSTITUTE AN INDEBTEDNESS OF THE COMMUNITY DEVELOPMENT AGENCY OF LEXINGTON, NEBRASKA, OR THE CITY OF LEXINGTON, NEBRASKA, WITHIN THE MEANING OF ANY STATE CONSTITUTIONAL PROVISION OR STATUTORY LIMITATION, NOR SHALL THIS NOTE AND THE INTEREST HEREON EVER GIVE RISE TO ANY PECUNIARY LIABILITY OF THE COMMUNITY DEVELOPMENT AGENCY OF LEXINGTON, NEBRASKA, OR THE CITY OF LEXINGTON, NEBRASKA, A CHARGE AGAINST ITS GENERAL CREDIT OR TAXING POWERS.

No recourse shall be had for the payment of the principal of or interest on this Note, or for any claim based hereon or upon any obligation, covenant or agreement contained in the Redevelopment Agreement against any past, present or future employee, member or elected official of the Issuer, or any incorporator, officer, director, member or trustee of any successor corporation, as such, either directly or through the Issuer or any successor corporation, under any rule of law or equity, statute or constitution or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such incorporator, officer, director or member as such is hereby expressly waived and released as a condition of and in consideration of the issuance of this Note.

It is hereby certified and recited and the Issuer has found: that the Project is an eligible "redevelopment project" as defined in the Act; that the issuance of this Note and the construction of the Project will promote the public welfare and carry out the purposes of the Act by, among other things, contributing to the development of a blighted and substandard area of the City of Lexington, Nebraska, pursuant to a Redevelopment Plan adopted by the City; that all acts,

conditions and things required to be done precedent to and in the issuance of this Note have been properly done, have happened and have been performed in regular and due time, form and manner as required by law; and, that this Note does not constitute a debt of the Issuer within the meaning of any constitutional or statutory limitations.

This Note is transferable only upon the books of the Issuer kept for that purpose at the office of the Registrar by the Registered Holder hereof in person, or by his duly authorized attorney, upon surrender of this Note together with a written instrument of transfer satisfactory to the Registrar duly executed by the Registered Holder or his duly authorized attorney, together with a Purchase Letter as in a form provided by Issuer, and thereupon a new registered Note or Notes in the same aggregate principal amounts shall be issued to the transferee in exchange therefor, and upon payment of the charges therein prescribed. The Issuer and the Paying Agent may deem and treat the person in whose name this Note is registered as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal hereof and premium, if any, and interest due hereon and for all other purposes.

The Note is prepayable at any time in whole or in part, to the extent there are any funds in the debt service fund in excess of amounts necessary to pay scheduled debt service. Prepayments shall reduce the number, but not the amount, of scheduled debt service payments on the Note, in inverse order of maturity.

It is hereby certified and recited that all conditions, acts and things required by law and the Redevelopment Agreement to exist, to have happened and to have been performed precedent to and in the issuance of this Note, exist, have happened and have been performed and that the issue of this Note, together with all other indebtedness of the Issuer, is within every debt and other limit prescribed by the laws of the State of Nebraska.

This Note shall not be entitled to any benefit or be valid or become obligatory for any purpose until this Note shall have been authenticated by the execution by the Registrar of the Certificate of Authentication hereon.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, THE COMMUNITY DEVELOPMENT AGENCY OF LEXINGTON, NEBRASKA has caused this Note to be signed in its name and on its behalf by the signature of its Chairman and attested by the signature of its Secretary, as of the Original Issuance Date identified above.

THE COMMUNITY DEVELOPMENT
AGENCY OF LEXINGTON, NEBRASKA

ATTEST:

Secretary

By: _____
Chairman

CERTIFICATE OF AUTHENTICATION

City Treasurer, City of Lexington as Paying
Agent and Registrar

By: _____
Authorized Signatory