

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 PRIOR TO TRANSFER, ASSIGNMENT, SALE OR HYPOTHECATION AN OPINION OF COUNSEL, SATISFACTORY TO THE COMMUNITY DEVELOPMENT AGENCY OF LEXINGTON TO THE EFFECT THAT REGISTRATION UNDER THE 1933 ACT IS NOT REQUIRED.

No. 1

\$134,400.00

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

COMMUNITY REDEVELOPMENT REVENUE NOTE
(SERVICE MASTER REDEVELOPMENT PROJECT)
SERIES 2021A

Registered Holder	Principal Amount
B & H Services, Inc.	\$134,400.00

Maturity Date	Interest Rate	Original Issuance Date
December 31, 2036	0%	April __, 2021

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 Lexington City Treasurer, as Paying Agent and Registrar, from the Original Issuance Date identified above. Principal and accrued interest shall be payable in twenty-eight (28) equal semi-annual installments due June 15, 2022, December 15, 2022 and each June 15 and December 15 thereafter through December 31, 2036 (the taxes levied for 2036 shall be paid in 2037), when all principal and accrued interest shall be due and payable. The 2036 tax liability shall be divided when the 2036 tax payments are made in 2037. Payments on this Note will be made by check or draft mailed to the Registered Holder in whose name this Note is registered at the close of business on the calendar day next preceding the applicable payment date at his address as it appears on such note registration books. The principal 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 (Service Master Redevelopment Project), Series 2021A, aggregating One Hundred Thirty-Four Thousand Four Hundred and No/100 Dollars (\$134,400.00) (the "Note"), which has been issued pursuant to 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 a Resolution adopted by the Governing Body of the Issuer (the "Resolution"), 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 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 Revenues generated by the Project as identified in the Redevelopment Agreement by and between the Issuer and the Registered Holder hereof. All such revenue has been duly pledged for that purpose.

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

No recourse shall be had for the payment of the principal on this Note, or for any claim based hereon or upon any obligation, covenant or agreement contained in the Redevelopment Contract 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, 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 issuable in the form of a registered Note without coupons. Subject to such conditions and upon the payment of such charges provided in the Resolution, the owner of any registered Note or Notes may surrender the same (together with a written instrument of transfer satisfactory to the Registrar duly executed by the registered owner or his duly authorized attorney), in exchange for an equal aggregate principal amount of registered Notes of any other authorized denominations.

The Note is prepayable at any time in whole or in part, at a prepayment price of par, to the extent there are any funds in the debt service fund in excess of amounts necessary to pay scheduled debt service or in the event the Redeveloper directs the Issuer that it wishes to prepay the Note.

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 Contract 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 under the Redevelopment Contract referred to herein 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.

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

This Note is delivered pursuant to the within-mentioned Resolution.

Lexington City Treasurer,
as Paying Agent and Registrar

By: _____
Authorized Signature

4837-5989-8446, v. 2

Real Estate Purchase Agreement

This Real Estate Purchase Agreement is made and entered into this ____ day of April, 2021, by and between the Community Development Agency of Lexington, Nebraska ("Seller"), and B & H Services, Inc. ("Purchaser").

WHEREAS, Seller is the owner of certain real property legally described on **Exhibit A** attached hereto and a made a part hereof ("Property"); and

WHEREAS, Seller has agreed to sell and Purchaser has agreed to purchase the Property, together with all rights, easements and appurtenances pertaining thereto and all improvements and foliage thereon; and

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are all hereby acknowledged by each of the parties hereto, the parties hereto agree as follows:

1. **Purchase Price.** Purchaser agrees to pay Seller the sum of Twenty-Five Thousand Dollars, (\$25,000.00) in the following manner:

a. The balance of the Purchase Price, less any adjustments for closing costs, shall be paid in certified funds at Closing and concurrent with delivery of Warranty Deed.

2. **Contingent Upon Approval.** The parties agree that this Agreement is subject to approval by the Lexington City Council, and in the event that such approval is not granted, this Agreement shall be void. This Agreement shall further be subject to the terms and conditions of a Redevelopment Agreement entered into between the parties, attached hereto as **Exhibit B**, and made a part hereof.

3. **Deed.** Seller agrees to convey the property by Warranty Deed, free and clear of all encumbrances, except as stated herein, and subject to easements and restrictions of record, and such other restrictions as approved by Purchaser. State Revenue Stamps, if required, shall be attached to the Warranty Deed and the cost thereof shall be borne by Seller.

4. **Zoning.** Any zoning or building permits required shall be obtained by Purchaser at its own expense.

5. **Taxes.** All real property ad valorem taxes, including payments made in lieu of taxes and all general and special assessments (collectively, "Taxes") shall be paid by Seller as of the date of Closing (as hereinafter defined) with the taxes and assessments being based upon the most recently available property assessment.

6. **Title Insurance.** Purchaser shall obtain title insurance and the cost of the Owner's Title Policy and any fees shall be divided equally between Purchaser and Seller. Such title insurance policy commitment shall show good and merchantable title in Seller, free and clear of all liens and encumbrances, subject, however, to easements of record, apparent easements, public highways and all government rules and regulations. If Purchaser objects to any matter disclosed in the title insurance commitment, then Purchaser shall provide written notice thereof to Seller. If Seller is

unable or unwilling to cure such objectionable matters to Purchaser's satisfaction prior to closing, then Purchaser may terminate this Agreement on notice to Seller. The cost of any lender's policy shall be borne by Purchaser.

7. **Insurance.** The Property consists of vacant unimproved ground not now insured, and neither party shall be obligated to provide insurance on the Property pending the conveyance.

8. **Representations and Warranties.** Seller represents that there are no latent defects in the Property of which Seller is aware. Purchaser acknowledges that the Property is being sold in its present condition, "as is." Purchaser has inspected the Property and will be relying upon its own knowledge there, and not upon any representations or warranties by Seller.

9. **Closing and Possession.** Seller shall relinquish full possession unto Purchaser on the date of closing, which the parties estimate to be on or before April 30, 2021. Seller covenants that there is no tenant who has any right to possession of the Property.

10. **Binding.** This Agreement shall be binding upon the assigns and successors of the parties hereto.

11. **Counterparts.** This Agreement may be signed in one or more counterparts which shall be as binding and effectual as the original.

12. **Assignment.** It is agreed that this contract shall not be assigned by the Purchaser without the written consent of the Seller.

13. **Entirety.** This Agreement constitutes the entire Agreement between Purchaser and Seller, and any other Agreements between the parties, unless reduced to writing and executed by the parties shall be null and void.

{Notary, Signature Page, and Exhibits to Follow}

Exhibit A

Tract A of the Administrative Replat of Lot Four (4), CDA First Addition to the to the City of Lexington, Dawson County, Nebraska

Exhibit B

{Attach Redevelopment Contract}