

**REDEVELOPMENT AGREEMENT
(Lexington HIE Project)**

This Redevelopment Agreement is made and entered into as of the ____ day of _____, 2024, by and between the Community Development Agency of Lexington, Nebraska (“CDA”), the City of Lexington, Nebraska (“City”), and Lexington HIE, 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, 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 18-2157, 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. The CDA currently owns the Project Site which is located in the Redevelopment Area.
- D. Redeveloper is under contract to purchase the Project Site from the CDA.
- E. The CDA and City have approved the Redeveloper’s proposed redevelopment project, including the utilization of tax-increment financing and EEA Area occupation tax financing to provide for the construction of the eligible public improvements defined in this Redevelopment Agreement.
- F. CDA, City, 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 18-2157, 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. “EEA Area” referred to Enhanced Employment Act shall mean the real property legally described on Exhibit “A-1”.

F. “EEA Indebtedness” shall mean the Occupation Tax Revenue Note (Lexington HIE Project), Series 2024, to be issued in an amount not to exceed \$1,360,216, as calculated on the attached Exhibit “B”, and issued in substantially the form set forth on Exhibit F, attached hereto and incorporated herein by this reference, (“Occupation Tax Revenue Note”).

G. “EEA Period” shall mean the lesser of (i) the time period necessary for the occupation taxes levied on the EEA Area to pay off any outstanding EEA Indebtedness which have been issued stating such occupation tax as an available source for payment or (ii) twenty (20) years after the effective date imposition of the occupation tax in the Occupation Tax Ordinance adopted by the City.

H. "EEA Project Costs" means only costs or expenses incurred by Redeveloper in the EEA Area as set forth herein for the purposes set forth in Section 18-2142.04 (1) (a) or Section 18-2103(28) (a) through (f), inclusive, of the Nebraska Community Development Law, including providing for such costs by the exercise of the powers set forth in §18-2107(4) of the Act.

I. “EEA Tax Revenues” shall mean the occupation tax revenues generated and collected under the occupation tax authorized by the Occupation Tax Ordinance.

J. “Effective Date” means either January 1, 2025, or January 1, 2026, as determined pursuant to Section 3.02 of this Agreement.

K “Eligible Project Costs” means only costs or expenses incurred by Redeveloper for Public Improvements that are eligible for reimbursement under the Act.

L. “Enhanced Employment Act” shall mean Nebraska Legislative Bill 562, 100th Legislature, effective date September 1, 2007, known as the “Enhanced Employment Area Occupation Tax,” amending Sections 18-2101, 18-2103, 18-2107, 18-2111, 18-2116, 18-2119, and 18-2130 of the Community Development Law, and

including §§18-2142.02, 18-2142.03 and 18-2142.04 of the Act, as may be amended from time to time.

M. “Minimum Project Valuation” means the amount of Eight Million Eighteen Thousand and No/100 Dollars (\$8,018,000.00).

N. “Occupation Tax Ordinance” shall mean the City of Lexington Ordinance authorizing the levy, collection and enforcement of the occupation tax imposed on the EEA Area pursuant to the Enhanced Employment Act.

O. “Private Improvements” means all the private improvements to be constructed on the Project Site as more particularly described on Exhibit “A”.

P. “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.

Q. “Project Completion Date” means December 31, 2026.

R. “Project Site” means all that certain real property, more particularly described on Exhibit “A”.

S. “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.

T. “Redeveloper” means Lexington HIE, LLC, a Nebraska limited liability company.

U. “Redevelopment Agreement” means this Redevelopment Agreement between the CDA, City, and Redeveloper with respect to the Project.

V. “Redevelopment Area” means Redevelopment Area #1 that is set forth in the Redevelopment Plan.

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

X. “Tax Increment” means , 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.

Y. “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 and EEA 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 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 and enhanced employment act financing.

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

(g) 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.

(h) The Project will result in at least five (5) new employees and new investment of at least Two Hundred Fifty Thousand Dollars (\$250,000) within the EEA Area, pursuant to §18-2116 of the Nebraska Revised Statutes. (Note: as of the 2020 census, Dawson County’s population was estimated at 24,111 inhabitants).

(i) There are no, nor will there be, any business in the EEA Area that has 135,000 square feet or more.

(j) Exhibit G, attached hereto and incorporated herein by this reference, is an accurate list of the proposed businesses and each business’s classification that are to be in the EEA Area.

ARTICLE III TIF PROVISIONS

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.

Section 3.02 Effective Date.

The effective date of this Project shall be the Effective Date. The Effective Date shall be January 1, 2025, unless the Redeveloper provides notice to the CDA prior to July 1, 2025 that the Redeveloper desires to establish January 1, 2026 as the Effective Date. If Redeveloper does not provide said notice to the CDA prior to July 1, 2025, then January 1, 2025 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 3.03 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 Six Hundred Fifty Thousand and No/100 Dollars (\$1,650,000.00), 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. The preliminary projected eligible TIF uses are set forth on the attached and incorporated Exhibit "B-1".

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.

If required by the CDA, the Redeveloper shall 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 prior to the commencement of construction and/or issuance of the TIF Indebtedness and EEA Indebtedness. 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 or EEA Indebtedness, Redeveloper shall submit to CDA sufficient written documentation to certify the type, scope, and actual costs of 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 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: (1) Redeveloper agrees to defer receipt of any such shortfall of Tax Increment and (2) Redeveloper shall solely be responsible for all payments due to any TIF lender. If Redeveloper defers the receipt of any such shortfall amounts as required hereunder, Redeveloper shall be entitled to receive reimbursement of any such shortfall payment to the extent Tax Increment in an amount in excess of the amount necessary to meet the current debt service payments later become available during the fifteen (15) year TIF period.

Section 4.05 Public Parking.

Redeveloper shall grant to the City a Public Parking License in the form attached hereto as Exhibit “H”, which is incorporated herein by this reference, in order to ensure the public can reasonably access and use the parking lot.

**ARTICLE V
EEA AREA PROVISIONS**

Section 5.01 EEA Area.

The CDA hereby designates the EEA Area as an EEA Area eligible for the imposition of an occupation tax pursuant to the Enhanced Employment Act. New investment within in the EEA Area will result in at least five (5) new employees and new investment of at least Two Hundred Fifty Thousand Dollars (\$250,000.00), pursuant to Section 18-2116 of the Community Development Law, as required for an EEA Area in a county with a population between 15,000 and 25,000. The EEA Area does not exceed six hundred acres.

Section 5.02 Occupation Tax.

The City agrees to levy a general business occupation tax upon all businesses within the EEA Area for the purpose of paying all or any part of the costs of the EEA Project Costs within such EEA Area during the EEA Period. Beginning on the date set forth in the Occupation Tax Ordinance, and in each calendar month thereafter, there is hereby imposed an occupation tax upon each and every person operating a business within the EEA Area. The amount of such tax shall be Three and One-Half percent (3.5%) of all taxed transactions as may be more particularly described in the Occupation Tax Ordinance (“EEA Transactions”).

Section 5.03 Issuance of EEA Indebtedness.

As soon as is practicable following the authorization and passage of the Occupation Tax Ordinance, the CDA shall issue the EEA Indebtedness. The EEA

Indebtedness shall be purchased by the Redeveloper or its lender (“Occupation Tax Revenue Note Holder”). The EEA Indebtedness shall not be a general obligation of the CDA or City which shall issue the TIF Note solely as a conduit. The EEA Indebtedness shall specifically provide that any shortfall in anticipated EEA Tax Revenues from the businesses within the EEA Area for any reason whatsoever, specifically including a decline in taxable receipts within the EEA Area or termination of the EEA Period, shall be borne entirely by the Occupation Tax Revenue Note Holder without recourse of any kind against the City or CDA. The City, CDA, and Redeveloper agree that the City Manager on behalf of the City and CDA shall have the authority to determine all the other necessary and reasonable details and mechanics of the EEA Indebtedness and EEA Tax Revenues in conformance with this Agreement.

Section 5.04 EEA Tax Revenues.

The City intends to impose an occupation tax of 3.5% on all EEA Transactions as authorized by the Enhanced Employment Act to generate the EEA Tax Revenues as determined in the manner provided for in the Community Development Law.

Section 5.05 Cost Certification & Use of EEA Tax Revenues.

The City will collect the EEA Tax Revenues and use said EEA Tax Revenues to pay debt service on the EEA Indebtedness. Notwithstanding the foregoing, the amount of the EEA Indebtedness that the CDA agrees to service and repay with the EEA Tax Revenues shall not exceed the amount of the EEA Project Costs certified by the Redeveloper pursuant to Section 4.03. The preliminary projected eligible EEA uses are set forth on the attached and incorporated Exhibit “B-1”.

Section 5.06 Creation of Fund.

The CDA will create a special fund to collect and hold the EEA Tax Revenues. Such special fund shall be used for no purpose other than to pay EEA Indebtedness issued pursuant to this Agreement.

Section 5.07 Debt Service for EEA Indebtedness.

The CDA shall, to the extent allowed by law, and then only to the extent funds are lawfully available from EEA Tax Revenues, pay the debt service on the EEA Indebtedness. Any debt service on the EEA Indebtedness (including interest) to be paid from EEA Tax Revenues shall not constitute a general obligation or debt of the City or CDA. Any such occupation tax shall remain in effect during the EEA Period.

Section 5.08 Deficiency in EEA Tax Revenues.

Any shortfall in anticipated EEA Tax Revenues for any reason whatsoever, specifically including a decline in taxable receipts within the EEA Area shall be borne entirely by the Redeveloper without recourse of any kind against the City or CDA. To the extent of any deficiency in EEA Tax Revenues from the occupation tax for

required debt service on the EEA Indebtedness during the EEA Period, the Occupation Tax Revenue Note Holder agrees to defer payment of the same for each year that there exists a deficiency. If Occupation Tax Revenue Note Holder is required to defer any such payments, the CDA shall reimburse all sums deferred plus interest (at the same interest rate of the then outstanding Occupation Tax Revenue Note) if and when EEA Tax Revenues do become available to meet current debt service and reimburse the Occupation Tax Revenue Note Holder for such deferred payments. In the event the EEA Indebtedness is not paid in full at the end of the EEA Period, any remaining EEA Indebtedness shall be forgiven without any further action on behalf of the Occupation Tax Revenue Note Holder, Redeveloper, City, or CDA.

Section 5.09 Duty to Maintain.

During the EEA Period, Redeveloper shall keep the Project in a safe and sanitary condition and shall take all action reasonably necessary to (a) maintain the same in good order and condition and state of repair in accordance with the prevailing standards from time to time for developments and improvements of similar size, kind and quality, and (b) carry out proper and timely capital improvements for all interior and exterior public enhancements, and (c) maintain the related grounds in a safe and sanitary condition in order to keep the same free from dilapidation or deterioration and free from conditions which endanger life or property by fire or other causes.

Section 5.10 Agreement to Pay Occupation Taxes.

Redeveloper agrees to use commercially reasonable efforts to require all tenants, if any, to pay all occupation taxes levied upon the EEA Area and improvements thereon prior to the time the taxes become delinquent. Redeveloper shall include this requirement in all tenant leases.

Section 5.11 Termination.

Notwithstanding any contrary provision, the occupation tax upon the businesses within the EEA Area shall cease upon expiration of the EEA Period or full repayment of the EEA Indebtedness, whichever period of time is shorter.

**ARTICLE VI
CONVEYANCE OF PROJECT SITE; FINANCING PROJECT; ENCUMBRANCES**

Section 6.01 Conveyance of Project Site; Payment of Purchase Price.

(a) The CDA agrees to convey and transfer the Project Site pursuant to the terms and conditions of this Article VI and this Redevelopment Agreement. In addition to the consideration that shall be provided pursuant to Redeveloper's obligations herein, the purchase price for the Project Site shall be the Purchase Price. The parties acknowledge that the Purchase Price has been determined based

on the fair value of the Project Site, taking into account the Redeveloper's obligations with respect to the Project Site set forth in this Redevelopment Agreement.

(b) Conveyance. On a mutually acceptable date as soon as reasonably practicable following the approval of this Redevelopment Agreement and the satisfaction of all legal requirements, the CDA shall transfer the Project Site to Redeveloper:

(c) Purchase Price. The Purchase Price due from Redeveloper to CDA for the conveyance of the Project Site shall be Fifty Thousand and No/100 Dollars (\$50,000.00) ("Purchase Price"). The Purchase Price shall be paid by Redeveloper on the Closing Date.

Section 6.02 Closing.

(a) Closing Date. The conveyance and delivery of the Project Site by the CDA to the Redeveloper shall occur at Closing which shall be on a mutually acceptable date as soon as reasonably practical after all conditions set forth in this Article VI have been satisfied but no earlier than thirty days after the execution of this Redevelopment Agreement (the "Closing Date").

(b) Closing Costs. Redeveloper shall pay all closing costs for the conveyance of the Project Site including, without limitation, any and all fees of the Title Company, cost of the title insurance policy, all filing fees to record the Deed, Memorandum of Redevelopment Agreement, and any other documents that will be recorded. All closing costs shall be eligible expenditures that are reimbursable from the tax increment financing proceeds.

Section 6.03 Title.

(a) Deed. On the Closing Date, the CDA shall deliver to Redeveloper, and Redeveloper shall accept from the CDA a Warranty Deed conveying to Redeveloper fee simple title to the Project Site, subject to the Permitted Exceptions. For purposes hereof, "Permitted Exceptions" shall mean: (i) covenants, conditions, easements, and restrictions of record; (ii) taxes not yet due and payable; (iii) liens or encumbrances of a definite or ascertainable amount which may be removed by the payment of money at the time of closing and which CDA is willing to and does so remove at closing; (iv) encumbrances caused by the acts or omissions of Redeveloper; (v) easements, licenses and use restrictions granted under this Redevelopment Agreement; and (vi) any other title exceptions shown on the Title Commitment and which are not properly and timely objected to by Redeveloper.

(b) Evidence of Title. Redeveloper may obtain a title commitment (the "Title Commitment") from a title insurance company duly authorized to do business in Nebraska (the "Title Company") covering title to the Project Site and showing fee simple title in the CDA. Redeveloper shall review the Title Commitment and advise the CDA whether the Title Commitment discloses exceptions to title other than Permitted Exceptions or discloses matters that render title to the Property to be

Conveyed unmarketable. Redeveloper shall notify CDA of such title defects within fifteen (15) days after receipt of the Title Commitment. CDA shall have fifteen (15) days after written notice of such defects from Redeveloper to have the exceptions removed from the Title Commitment or to have the title insurer commit to insure against loss or damage that may be occasioned by such exceptions or defects. Provided, however, in the event that CDA shall be unable or unwilling to correct such title defects within the fifteen (15) day period, Redeveloper shall have the option, by written notice delivered to CDA to either terminate this Redevelopment Agreement or take title to the Project Site subject to such exceptions or defects. In the event Redeveloper provides timely notice to terminate this Redevelopment Agreement, the Redevelopment Agreement shall be deemed terminated, and the parties shall have no further obligation to one another. In the event Redeveloper elects to take title to such exceptions or defects, said exceptions or defects shall be deemed to be Permitted Exceptions.

Section 6.04 Condition of Property.

Redeveloper does hereby acknowledge, represent, warrant and agree to and with the CDA that: (i) Redeveloper is expressly purchasing the Project Site in its existing condition "AS IS, WHERE IS, AND WITH ALL FAULTS" with respect to all facts, circumstances, conditions and defects; (ii) the CDA has no obligation to inspect for, repair or correct any such facts, circumstances, conditions or defects or to compensate Redeveloper for same; (iii) the CDA has provided Redeveloper sufficient opportunity to make such independent factual, physical and legal examinations and inquiries as Redeveloper deems necessary or appropriate with respect to the Project Site and the transaction contemplated by this Agreement; (iv) the CDA has specifically bargained for the assumption by Redeveloper of all responsibility to inspect and investigate the Project Site and of all risk of adverse conditions and has structured the Purchase Price and other terms of this Agreement in consideration thereof; and (v) Redeveloper has undertaken all such inspections and investigations of the Project Site as Redeveloper deems necessary or appropriate with respect to the Project Site and the suitability of the Project Site for Redeveloper's intended use.

Section 6.05 Conditions Precedent.

(a) Subdivision. The CDA shall have no obligation and shall not complete the conveyance set forth in Article unless and until the Project Site has been replatted to create a separate parcel for the Project as described herein. Redeveloper shall engage the engineering to complete the required subdivision, but the exact size and location of the Project Site will be mutually agreed upon.

(b) Inspections. Redeveloper shall have the right to inspect the Project Site, at Redeveloper's expense, to determine the condition of the Project Site. Redeveloper shall order all such inspections it deems necessary in Redeveloper's sole discretion within ten (10) days of the date of this Redevelopment Agreement and shall use its best efforts to complete the inspections within thirty (30) days of the date of this Redevelopment Agreement. If the inspections are not ordered and/or completed by the respective dates specified above such contingency shall be deemed satisfied. Redeveloper's obligation to purchase the Project Site is contingent upon

Redeveloper receiving satisfactory reports or results of the inspections. Such reports or results shall be deemed satisfactory in Redeveloper's sole discretion. If Redeveloper determines that the Project Site is not suitable for the Project, Redeveloper shall have the right to terminate this Redevelopment Agreement and neither party shall have any further obligations hereunder.

Section 6.06 Property Taxes and Assessments.

The Project Site is currently exempt from property taxes. All real and personal property taxes and assessments, if any, assessed against the Project Site for the year in which Closing occurs because of the conveyance shall be paid by Redeveloper.

Section 6.07 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 and EEA Indebtedness.

Section 6.08 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 VII
DEFAULT, REMEDIES; INDEMNIFICATION**

Section 7.01 Default.

In the event Redeveloper fails to perform or comply with any term, condition, or obligation of this Redevelopment Agreement and does not cure such defect within thirty (30) days after receiving written notice from the CDA specifying the nature of the breach of the Redevelopment Agreement, then Redeveloper shall be in default.

Section 7.02 Remedies of the CDA.

In the event that Redeveloper is in default pursuant to Section 7.01, the CFDA may pursue any remedy available at law or in equity, including without limitation, one or more of the following: (1) the CDA may terminate this Redevelopment

Agreement and neither party shall have any further obligation hereunder, (2) the CDA may terminate the TIF Note and Occupation Tax Revenue Note and declare said Notes void and thereafter shall not be obligated to remit any Tax Increment and EEA Tax Revenues as debt service thereon.

Section 7.03 Limitation of Liability; Indemnification.

(a) Notwithstanding anything in this Article VII 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 VIII
MISCELLANEOUS**

Section 8.01 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 8.02 Governing Law.

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

Section 8.03 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 8.04 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 8.05 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.

Section 8.06 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.

[SIGNATURE PAGES TO FOLLOW]

“REDEVELOPER”

Lexington HIE, LLC, a Nebraska
limited liability company

Mike Works, Manager

STATE OF NEBRASKA)
) ss.
COUNTY OF LANCASTER)

The foregoing instrument was acknowledged before me this ___ day of _____, 2024, by Mike Works, Manager of Lexington HIE, 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 9 Replat of Southeast Second Addition, Lexington, Dawson County, Nebraska (the "Project Site").

Following a subdivision and replat of Lot 9 Replat of Southeast Second Addition, the parties may execute an addendum or otherwise identify and agree upon the correct legal description for 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, installation of utility improvements, public parking enhancements, façade enhancements, energy efficiency enhancements, professional (architecture, engineering, and legal) 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 “A-1”

EEA AREA

The EEA Area has the same legal description as the Project Site.

EXHIBIT “B”

General TIF Indebtedness and EEA Indebtedness Calculations

TIF INDEBTEDNESS

1. **Projected Base Value:** \$18,000
2. **Projected Final Value Year One (Minimum Project Value):** \$8,018,000
* Assumed 2% annual increase over the TIF period
3. **Difference in Valuation:** \$8,000,000
4. **Assumed Tax Levy:** 1.7828
5. **Anticipated Tax Increment Year One:** \$142,624
* Assumed 2% annual increase over the TIF period
6. **TIF Indebtedness:**
 - a. **Principal Amount.** The principal amount of the TIF Indebtedness is anticipated to be \$1,650,000.00. The maximum principal amount of the TIF Indebtedness shall be the amount, together with interest accruing thereon at a rate of 5% per year, 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 15, 2041.
 - a. If the Effective Date is set as January 1, 2025, the Maturity Date will be December 15, 2040.
 - b. If the Effective Date is set as January 1, 2026, the Maturity Date will be December 15, 2041.
 - d. **TIF Period.** The period for TIF on this Project will be fifteen (15) years, commencing on the Effective Date. Assuming an Effective Date of January 1, 2025 (tax year 2025 taxes paid in 2026), the TIF period would terminate on December 31, 2040 (tax year 2039 taxes paid in 2040). 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.

EEA INDEBTEDNESS

1. **Occupation Tax Rate:** 3.5%
2. **Projected Interest Rate on EEA Indebtedness:** 5%
3. **Projected Year One Revenue subject to Occupation Tax:** \$2,650,000
* Assumed 2% annual increase over the EEA period
4. **Projected Year One EEA Occupation Tax:** \$92,750
* Assumed 2% annual increase over the TIF period
6. **EEA Period:** 20 years
7. **EEA Indebtedness:** \$1,360,216.00.

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

EXHIBIT “B-1”

PROJECTED TIF AND EEA USES

| | TIF | EEA |
|--|---------------------|---------------------|
| Site Acquisition | \$50,000.00 | |
| Public Improvements | | |
| 0.00 Administrative Expenses | | |
| 0.01 Capitalized Interest on TIF loan | \$225,766.20 | \$- |
| 0.02 Architectural Expense | \$75,000.00 | \$- |
| 0.03 Engineering Expense | \$10,000.00 | \$- |
| 0.04 Legal | \$20,000.00 | \$- |
| | \$330,766.20 | \$ |
| 1.00 Sitework (on site and off site work) | | |
| 1.01 Subgrade prep, Dry & Wet utilities, misc. site work | \$75,000.00 | \$- |
| 1.02 Demolition, Grading, Environmental Remediation | \$15,000.00 | \$- |
| 1.03 Public parking, landscape, irrigation | \$350,000.00 | \$- |
| 1.04 Streets sidewalks utilities | \$15,000.00 | \$- |
| 1.05 On going maintenance | \$- | \$250,000.00 |
| 1.06 Project Management | \$75,000.00 | \$- |
| 1.07 Development Program Management Overhead | \$22,000.00 | \$- |
| 1.08 Project Design | \$65,000.00 | \$- |
| 1.09 Contingency | \$55,000.00 | \$- |
| | \$672,000.00 | \$250,000.00 |
| Public Enhancements | | |
| 2.00 Building Façade Upgrades | | |
| 2.01 Storefront Window System | \$10,000.00 | \$- |
| 2.02 Low E Energy Efficient Windows | \$85,000.00 | \$- |
| 2.03 Masonry | \$25,000.00 | \$- |
| 2.04 Project Management | \$10,000.00 | \$- |
| 2.05 Development Program Management Overhead | \$6,000.00 | \$- |
| 2.06 Project Design | \$25,000.00 | \$- |
| 2.07 Contingency | \$10,000.00 | \$- |
| | \$171,000.00 | \$- |

3.00 Energy Efficiency Improvements

| | | | |
|------|---|------------------|--------------------|
| 3.01 | Reflective Roofing Surfaces & Insulation | \$- | \$400,000.00 |
| 3.02 | Energy Efficient HVAC and HVAC energy management system | \$250,000.00 | \$- |
| 3.03 | Energy Efficient Light Fixtures (LED) | \$150,000.00 | \$- |
| 3.04 | Energy Insulation Enhancements | \$ - | \$250,000.00 |
| 3.05 | Ongoing management & Promotions | \$ - | \$125,000.00 |
| 3.06 | Project Management | \$ - | \$130,000.00 |
| 3.07 | Development Program Management Overhead | \$ - | \$85,000.00 |
| 3.08 | Project Design | \$50,000.00 | \$50,000.00 |
| 3.09 | Contingency | | \$75,000.00 |
| | | \$450,000 | \$1,115,000 |

Total Eligible Cost: \$1,673,766 \$1,365,000

* The identified TIF and EEA uses are preliminary and subject to change. Additional eligible TIF and EEA uses may be added and costs may be transferred between the TIF and EEA categories, provided such costs are eligible for both TIF and EEA.

EXHIBIT “C”

**CERTIFICATE OF COMPLETION OF IMPROVEMENTS
(Lexington HIE Project)**

The undersigned certifies, represents and warrants to the City of Lexington, Nebraska, and the Community Development Agency of Lexington, Nebraska (“CDA”) with regard to the following real property situated in the City of Lexington, Dawson County, Nebraska, to wit:

[Insert legal description of Project Site];

that the Private Improvements required to be constructed by the Redeveloper upon the above described property have been satisfactorily completed in accordance with the requirements of the Redevelopment Agreement dated _____, 2024, as referenced in the Memorandum of Redevelopment Agreement recorded as Instrument No. _____ in the office of the Register of Deeds for Dawson County, Nebraska.

“REDEVELOPER”

Lexington HIE, LLC, a Nebraska
limited liability company

Mike Works, Manager

STATE OF NEBRASKA)
) ss.
COUNTY OF LLANCASTER)

The foregoing instrument was acknowledged before me this ___ day of _____, 202_, by Mike Works, Manager of Lexington HIE, LLC, on behalf of the company.

Notary Public

ACCEPTED by the Community Development Agency of Lexington, Nebraska
this _____ day of _____, 202_.

“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 _____,
202_, by _____ and _____, Chairman and Secretary respectively
of the Community Development Agency of Lexington, Nebraska, a public body
corporate and politic, on behalf of the agency.

Notary Public

EXHIBIT "D"

**MEMORANDUM OF REDEVELOPMENT AGREEMENT
(Starts on next page)**

After recording please return to:

**MEMORANDUM OF REDEVELOPMENT AGREEMENT
(Lexington HIE Project)**

This Memorandum of Redevelopment Agreement (“Memorandum”) is made this ___ day of _____, 2024 by and between the Community Development Agency of Lexington, Nebraska (“CDA”), City of Lexington, Nebraska (“City”), and Lexington HIE, LLC, a Nebraska limited liability company (“Redeveloper”)

1. **Redevelopment Agreement.** CDA, City, 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:

[Insert legal description of Project Site] (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. **Enhanced Employment Area Financing.** The Redevelopment Agreement provides for the collection of an Enhanced Employment Area Occupation Tax, as defined therein, on certain transactions on the Project Site for a period not to exceed twenty (20) years after the date defined in the Redevelopment Agreement. The EEA Occupation Tax so captured by the CDA shall be used to pay debt service on the EEA Indebtedness incurred pursuant to the Redevelopment Agreement

4. **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 _____, 2024, by _____ and _____, Chairman and Secretary respectively of the Community Development Agency of Lexington, Nebraska, a public body corporate and politic, on behalf of the agency.

Notary Public

“CITY”
CITY OF LEXINGTON, NEBRASKA

ATTEST:

By: _____
_____, Clerk

By: _____
_____, Mayor

STATE OF NEBRASKA)
) ss.
COUNTY OF DAWSON)

The foregoing instrument was acknowledged before me this ___ day of _____, 2024, by _____ and _____, Mayor and Clerk respectively of the City of Lexington, Nebraska, on behalf of the City.

Notary Public

“REDEVELOPER”

Lexington HIE, LLC, a Nebraska
limited liability company

Mike Works, Manager

STATE OF NEBRASKA)
) ss.
COUNTY OF LANCASTER)

The foregoing instrument was acknowledged before me this ___ day of _____, 2024, by Mike Works, Manager of Lexington HIE, 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

\$1,650,000.00

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

COMMUNITY REDEVELOPMENT REVENUE NOTE
(LEXINGTON HIE PROJECT)
SERIES 2024A

| Maturity Date | Interest Rate | Original Issuance Date |
|-------------------|---------------|------------------------|
| December 15, 204_ | 5% | |

| Registered Holder | Principal Amount |
|--------------------|------------------|
| Lexington HIE, LLC | \$1,650,000.00 |

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) semi-annual installments due June 15, 202_, December 15, 202_, and each June 15 and December 15 thereafter through December 15, 204_, 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 (Lexington HIE Project), Series 2024A, aggregating One Million Six Hundred Fifty Thousand and No/100 Dollars (\$1,650,000.00) (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 18-2157, as amended and supplemented (the "Act") and under and pursuant to the terms of that certain redevelopment agreement between the Issuer, the City of Lexington, and Lexington HIE, LLC, a Nebraska limited liability company, for the Lexington HIE 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

**EXHIBIT “F”
(FORM OF EEA 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

\$1,360,216.00

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

OCCUPATION TAX REVENUE NOTE
(LEXINGTON HIE PROJECT)
SERIES 2024A

| Maturity Date | Interest Rate | Original Issuance Date |
|-------------------|---------------|------------------------|
| December 15, 2046 | 5% | |

| Registered Holder | Principal Amount |
|--------------------|------------------|
| Lexington HIE, LLC | \$1,360,216.00 |

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 forty (40) semi-annual installments due June 15, 2026, December 15, 2026, and each June 15 and December 15 thereafter through December 15, 2046, 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 Occupation Tax Revenue Note (Lexington HIE Project), Series 2019A, aggregating One Million Three Hundred Sixty Thousand Two Hundred Sixteen and No/100 Dollars (\$1,360,216.00) (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 18-2157, as amended and supplemented (the "Act") and under and pursuant to the terms of that certain redevelopment agreement between the Issuer, the City of Lexington, Nebraska, and Lexington HIE, LLC, a Nebraska limited liability company, for the Lexington HIE 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 EEA Tax Revenues generated by the Project as defined in the Redevelopment Agreement.

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

EXHIBIT "G"

LIST OF BUSINESS CLASSIFICATIONS

BUSINESS

1. Hotel

CLASSIFICATION

Hotel/Hospitality

EXHIBIT "H"

**PUBLIC PARKING LICENSE
(Starts on next page)**

After recording please return to:

PUBLIC PARKING LICENSE AGREEMENT

This Public Parking License Agreement (this “Agreement”) is made this ___ day of _____, 2024 (the “Effective Date”), by and between and Lexington HIE, LLC, a Nebraska limited liability company (“Licensor”), and the City of Lexington, Nebraska (“Licensee”).

RECITALS

A. Licensor owns certain real estate located in Lexington, Nebraska that is legally described as:

_____ (the “Property”).

B. Licensor entered into a Redevelopment Agreement (the “Redevelopment Agreement”) with the Community Development Agency of Lexington, Nebraska and Licensee for the construction of a hotel and related improvements located on the Property.

C. Pursuant to the Redevelopment Agreement, and to ameliorate the blighted and substandard conditions of the Property, Licensor agrees to grant a nonexclusive limited license to the public to use the parking lot located on the Property (the “Parking Lot”). Under the Redevelopment Agreement, Licensor is receiving financial assistance from the Licensee to construct the Parking Lot provided that the public is granted certain rights to use the Parking Lot.

D. This Agreement sets forth the parties’ rights and obligations with respect to the license on the Parking Lot.

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements set forth herein and in the Redevelopment Agreement, Licensor and Licensee do now hereby agree as follows:

1. Parking Lot License. Licensor hereby grants to Licensee, for the benefit of the public, a nonexclusive limited license for non-commercial vehicular parking in the

Parking Lot daily from 7:00 a.m. to 8:00 p.m. ("Permitted Hours"), in accordance with the following conditions:

- a. This Agreement shall grant the public rights solely for the parking of non-commercial vehicles and vehicular ingress and egress from the public street to the Parking Lot.
- b. Nothing in this Agreement is intended to permit any of the following enumerated or similar activities by the public in the Parking Lot: loitering, partying, demonstrating, picketing, soliciting, begging, littering, sunbathing, consuming alcoholic beverages, carrying firearms, erecting signs or displays, engaging in any illegal, offensive, indecent, obscene, vulgar, lewd or disorderly speech, dress or conduct, or otherwise disturbing the peace.
- c. Licensor shall have the right to deny access to the Parking Lot to persons who are disorderly or intoxicated or engaging in any of the activities identified in subsection b. above.
- d. Licensor shall have the right to deny public access to the Parking Lot and remove unauthorized vehicles in the Parking Lot during any time outside of the Permitted Hours.
- f. Licensor shall have the right to post and enforce any reasonable requirements regarding the use of the parking lot, including but not limited to reservation of certain stalls for handicapped or other designated users, time limits per parking session, and any other requirements it deems appropriate.

2. Authorized Use. Licensee shall be entitled to use the Parking Lot solely for the limited uses specified in this Agreement during the permitted hours specified in the Agreement and for no other purposes whatsoever.

3. Private Property. The Parking Lot shall at all times remain the private property of the Licensor and nothing in this Agreement or the granting of this License shall be deemed to create or constitute a public forum, limited or otherwise.

4. Maintenance and Upkeep. Licensor shall perform all ordinary and/or necessary maintenance and repairs on the Parking Lot. Licensee shall have no responsibility to provide or pay for any security, upkeep, maintenance services or repairs related to use of the Parking Lot.

5. Indemnification. Licensor shall defend, indemnify and hold Licensee harmless from and against any liability, claims, suits, demands, judgments (including costs, expenses and attorneys' fees), resulting from actions or claims by third parties or defaults under this Agreement by Licensor arising out of this license on the Parking Lot.

6. Term. This Agreement shall be for a term of fifteen (15) years, beginning on the date this Agreement is executed. Provided, however, this Agreement shall

terminate at any earlier date that the Redevelopment Agreement is terminated and is no longer in effect.

7. Insurance. Licensor, at its expense, shall (i) keep the Parking Lot insured under a standard form of insurance policy against loss or damage resulting from fire or other perils normally insured under uniform standard extended coverage endorsement; and (ii) carry and maintain comprehensive public liability insurance.

8. Binding Effect. This Agreement shall be appurtenant to and run with the Property. The grant of this easement shall be binding upon the heirs, executors, administrators, successors and assigns of Licensor.

(Signature and notary page follows)

