



MISC Inst. # 2018100445, Pg: 1 of 19 Rec Date: 12/20/2018 11:50:15.043

Fee Received: \$118.00 Electronically Recorded By: MS

Douglas County, NE Assessor/Register of Deeds DIANE L. BATTIATO

When recorded return to:
 Petros PACE Finance, LLC
 300 West 6th Street, Suite 1540
 Austin, Texas 78701

**ASSESSMENT CONTRACT
 REAL ESTATE COVENANT**

THIS ASSESSMENT CONTRACT (this "**Contract**"), is made and entered into effective as of the 20th day of December, 2018 (the "**Effective Date**") by and among **THE CITY COUNCIL OF THE CITY OF OMAHA** (the "**City**"), as Governing Body for the **EASTERN NEBRASKA CLEAN ENERGY ASSESSMENT DISTRICT**, a Nebraska clean energy district ("**ENCEAD**"), **PETROS PACE FINANCE, LLC**, a Texas limited liability company ("**Lender**"), and **CAPITOL DISTRICT HOTEL, LLC**, a Nebraska limited liability company (the "**Property Owner**").

WITNESSETH:

WHEREAS, the Property Owner is the owner of certain real property located at 222 N. 10th Street, Omaha, Nebraska 68102, in the City of Omaha, Nebraska as further described on Exhibit A attached hereto (the "**Property**");

WHEREAS, the City has adopted Ordinance No. 41152 (the "**Ordinance**"), as amended by Ordinance No. 41664, an ordinance to enable the City to create a clean energy assessment district under Nebraska Revised Statute Sections 13-3201 to 13-3211, inclusive, and known as the "Property Assessed Clean Energy Act," (the "**Act**");

WHEREAS, the Property Owner has obtained the written consent of all persons or entities that currently hold mortgage liens or deeds of trust on the Property, if any, to the Loan, as herein defined, and this Contract;

WHEREAS, the Property Owner intends to make energy efficiency improvements (as such term is used in Nebraska Revised Statute Section 13-3203(3)) at the Property, as described on Exhibit B attached hereto (the "**Project**");

WHEREAS, the Act provides that the energy efficiency improvements serve a public purpose in that (i) energy efficiency and the use of renewable energy are important for preserving the health and economic well-being of Nebraska's citizens, (ii) using less energy

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decreases the cost of living and keeps the cost of public power low by delaying the need for additional power plants, and by building the market for energy efficiency and renewable energy products, new jobs will be created for Nebraskans, and (iii) a public purpose will be served by providing municipalities with the authority to finance the installation of energy efficiency improvements and renewable energy systems through the creation of clean energy assessment districts;

WHEREAS, the Lender has agreed to make a loan to the Property Owner in the amount of SIXTEEN MILLION, THREE HUNDRED FORTY THOUSAND AND NO/100 DOLLARS (\$16,340,000.00), which includes all eligible fees and costs under the Act and the Ordinance (the "Loan"), the proceeds of which will be used to fund the implementation of the Project;

WHEREAS, the Act provides in part that "the obligations set forth in the assessment contract, including the obligation to pay assessments, are a covenant that shall run with the land and be obligations upon future owners of the qualifying property;"

WHEREAS, the City has agreed to direct the Douglas County Treasurer to levy PACE Assessments, collect or cause the collection of the PACE Assessments, record such PACE Assessments as a lien on the Property, as allowed by the Act, and authorize direct payments on such PACE Assessments to the Lender to be applied to pay down the Loan, all as more particularly set forth herein; and

WHEREAS, the City is authorized to enter into this Contract under the Act.

Now, THEREFORE, for and in consideration of the making of the Loan and the financing and collection arrangements between the Lender, the Property Owner and the City, and other good and valuable consideration, receipt and sufficiency of which are hereby acknowledged, the Lender, Property Owner and the City agree as follows:

1. Defined Terms. The words and phrases as specifically defined the Act, or in the Ordinance shall have their defined meanings. The following capitalized terms used in this Contract shall have the meanings defined or referenced below or in the Recitals above:

"City Parties" shall have the meaning set forth in Section 15 hereof.

"County Treasurer" means the office of the Douglas County Treasurer.

"Installment" means the portion of the Loan Amount that is due on a particular date in a particular Tax Year as more fully described in Sections 2 and 5 hereof and shown on Exhibit C, as may be increased by the County Treasurer Fee, if applicable, under Section 5(a).

"Lender Parties" shall have the meaning set forth in Section 16(a) hereof.

"Liabilities" shall have the meaning set forth in Section 16(a) hereof.

"Loan" shall have the meaning set forth in the Recitals above.

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"Loan Agreement" shall mean that certain PACE Loan Agreement entered into between the Property Owner and the Lender on or about the date hereof.

"Loan Amount" means, as of any date of computation, the outstanding amount of all principal plus accrued but unpaid interest and any applicable penalties, costs, fees, charges, late payment charges, default interest rate charges, prepayment premiums or fees or administrative expenses related to the Loan, including the administrative fees set forth in Section 17 hereof and any and all other fees to be paid to County Treasurer, the Lender, or any other party by the Property Owner in connection with the Loan.

"Loan Documents" shall mean the loan documents with respect to the Loan entered into between the Property Owner and the Lender.

"Note" shall have the meaning given such term in the Loan Agreement.

"PACE Assessment" means a given annual assessment levied under Section 13-3205(7) of the Act.

"PACE Assessments" means more than one PACE Assessment.

"Project" means the planning, design, and installation of the energy efficiency improvements on the Property.

"Register of Deeds" means the office of the Register of Deeds for Douglas County.

"Tax Year" means the period from January 1 through the following December 31.

2. Payments. The Loan Amount shall be payable as a property tax assessment on the Property, in semi-annual Installments on July 20 and December 20 of each Tax Year. The Loan shall bear interest, including default interest, at the rates set forth in the Note and payments shall be due under the Note and the Loan Agreement as more fully described therein and in Section 5 of this Contract, ending upon payment in full of the Loan Amount and all other charges, fees, expenses and other amounts due under this Contract, the Loan Agreement and the Note. The amounts of the Installments are based on a Loan Amount as of the Effective Date of \$16,340,000.00, and are more specifically provided on Exhibit C hereto. The Loan shall be fully amortized over the term of the Loan, and shall be repaid on the terms set forth in this Contract, the Loan Agreement and the Note. For each Tax Year during the term of this Contract, the Lender shall supply ENCEAD with the amount of each Installment for such year by delivering a completed Lender Installment Certificate in the form attached hereto as Exhibit D on or before December 31 of such Tax Year. Should the Lender fail to deliver a Lender Installment Certificate on or before December 31 of any Tax Year, the Installments shall be presumed to be the same as the Installments for the applicable Tax Year as shown on Exhibit C, with any surplus or shortfall to be addressed by adjusting the amount of a subsequent Installments.

3. Consent to PACE Assessments.

(a) By entering into the Contract, ENCEAD hereby agrees to enforce the PACE Assessments and impose the Installments as PACE Assessments under the Act. Upon execution of this

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Contract, ENCEAD will cause this Contract to be recorded against the Property in the office of the Register of Deeds.

(b) The Property Owner hereby agrees and acknowledges: (i) Property Owner has received or will receive a special benefit by financing the Project through ENCEAD that equals or exceeds the total amount of the PACE Assessments; (ii) the Property is subject to the PACE Assessments, and further consents to the levy of the Installments; (iii) Property Owner shall cause to be paid the Installments when due under the terms set forth in this Contract, the Loan Agreement and the Note; and (iv) delinquent Installment(s) of the PACE Assessment can become a PACE lien under the Act.

4. Term; Covenant for Weighted Useful Life and Sufficient Resources. This Contract shall remain in full force and in effect until the Loan Amount and all other charges, fees, expenses and other amounts due under this Contract, the Loan Agreement and the Note have been paid in full. Property Owner hereby agrees and acknowledges that (a) the weighted average useful life of the Project exceeds the term of this Contract; (b) there are sufficient resources to complete the Project; and (c) the estimated economic benefit, including energy cost savings, maintenance cost savings, and other property operating savings expected from the Project during the term of this Contract, is equal or greater than the principal cost of the Project.

5. Installments.

(a) During the term of this Contract, the PACE Assessments shall be paid directly to the Lender). The Property Owner and the Lender agree that the Lender may cause a payment to be made to the County Treasurer in addition to such Installments a fee in such amount as allowed by law (the "County Treasurer Fee").

(b) The aggregate amount of all PACE Assessments shall equal the cost of the energy project, interest, including financing costs and fees described in the Loan Documents and this Contract, and all as permitted by the Act and as expressed in the Loan Agreement, and any amount as needed to pay the County Treasurer Fee, as shown on Exhibit C attached and incorporated by this reference.

(c) The Property Owner hereby agrees to pay the PACE Assessment coming due on December 31 of each Tax Year in two equal Installments, the first on or before July 20 and the second on or before December 20 of the year immediately following the date that the PACE Assessment came due. For clarity, and as an example, if a PACE Assessment comes due on December 31, 2020, the PACE Assessment payment for Tax Year 2020 shall be made as follows: (i) the first Installment of one-half the PACE Assessment shall be due and payable on or before July 20, 2021, and delinquent on July 21, 2021, and (ii) the second Installment of one-half of the PACE Assessment shall be due and payable on or before December 20, 2021, and shall be considered delinquent on December 21, 2021. The Property Owner hereby agrees to pay the property tax bills and Installments for the Property during the term of this Contract in a timely fashion so as to avoid any default on, or delinquency in such payment.

(d) If the Property Owner fails to pay all or part of any Installment before delinquency, or fees or costs under the Loan Documents and this Contract, the parties hereto acknowledge and agree that (i) default interest on the unpaid amounts of the Installments and such fees and costs shall accrue in favor of the Lender as set forth in the Note and Loan Documents, (ii) such

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default interest and fees and costs shall be added to the PACE Assessments and shall be included as part of the Installments due thereafter unless and until all such accrued and unpaid default interest and such fees and costs are paid in full, and (iii) such default interest shall be in addition to any and all penalties and interest that may be imposed by or accrue in favor of ENCEAD as a result of the Property Owner's failure to pay real estate or other property taxes or other assessments on the Property. In addition, Installments shall continue to be levied as PACE Assessments notwithstanding Property Owner's failure to pay all or part of any past Installment, such that the County Treasurer shall continue to levy PACE Assessments, including default interest to be paid to the Lender, until the Loan Amount, including all accrued and unpaid interest, is paid in full.

(e) The Property Owner hereby agrees and acknowledges that failure to pay any Installment of the PACE Assessments, or failure to pay any property taxes pertaining to the Property, will result in penalties and interest accruing in favor of the Lender on the amounts due, in addition to penalties and interest that may accrue in favor of ENCEAD. In addition, ENCEAD shall record a PACE lien on the Property as a result of any failure to pay when due (i) any payment required by the Note and Loan Documents or (ii) any Installment of the PACE Assessments. Furthermore, the Property Owner hereby agrees not to seek a compromise of any delinquent Installment.

(f) Any PACE Assessment imposed on the Property that becomes delinquent, including any interest on the PACE Assessment and any penalty, shall constitute a PACE lien against the Property until the PACE Assessment, including any interest and penalty, is paid in full.

(h) Lender will send an invoice to Property Owner, at the address provided in Section 19 of this Contract, no less than thirty (30) days prior to the date upon which Installments are due. The invoice will include the full amount of the Installments due, per the amounts listed in the Note. Nothing in this Section shall relieve Property Owner of its obligation to pay any amounts owing under the Loan Documents and this Contract, nor affect Lender's ability to charge any default interest, should Lender, for any reason, fail to send the invoice, or should Property Owner, for any reason, not receive the invoice.

6. Loan Amount; Prepayment.

(a) Subject to the terms and conditions in the Loan Documents, the Lender agrees to disburse to the Property Owner the Loan Amount.

(b) The Property Owner may only prepay the Loan as set forth in the Loan Agreement and Note. In the event of any permitted prepayment, the Lender shall certify to the Property Owner and ENCEAD the aggregate amount due on the Loan, including principal, interest, fees and any Prepayment Fee as described in the Note, within thirty (30) days of receipt of a written request for prepayment from the Property Owner. If any prepayment is made to ENCEAD, ENCEAD shall certify to the Property Owner and the Lender any and all amounts collected by ENCEAD and not yet remitted to the Lender within fifteen (15) days of receipt of a written request for prepayment by the Property Owner, as well as any administrative fees payable, but not yet collected, as of the anticipated prepayment date. To the extent that ENCEAD has received any funds from the Property Owner prior to the Property Owner's requested date of prepayment, but has not yet remitted the same to the Lender, ENCEAD shall remit the same to the Lender on or before the date of the Property Owner's requested date of prepayment. No

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prepayment shall be effective, and no funds paid by the Property Owner or ENCEAD will be applied to the Loan Amount, unless and until the Lender receives the full Loan Amount from ENCEAD and the Property Owner. The Property Owner acknowledges that failure of ENCEAD to remit any funds held by ENCEAD on or prior to the Property Owner's requested date of prepayment may result in additional interest due in connection with such prepayment.

(c) Without the prior written consent of the Lender, which consent may be given or withheld in the Lender's sole discretion, the Loan may not be prepaid in part and, if such consent is given, any such partial prepayment must be made in strict compliance with the terms and conditions set forth in such written consent, which terms and conditions may include a prepayment penalty. Any partial prepayment in violation of this provision will not be accepted by the Lender. Notwithstanding the foregoing, the Property Owner shall not be deemed to have made a prepayment if the Property Owner decides to pay any Installment in full, as opposed to payment on an installment basis, for any given Tax Year, as applicable.

7. Collection of Installments: Payments to the Lender.

(a) The City shall follow reasonable and customary practices to cause the PACE Assessments to be levied, including assessing penalties and charging interest.

(b) All Installment payments shall be made directly to the Lender by the Property Owner as the Lender shall direct.

(c) In the event of a failure of the Property Owner or its successors to pay any Installment of the PACE Assessments prior to delinquency, resulting in a PACE lien on the Property, the City agrees to exercise the remedies available to the City under the law, including referral of the matter to Douglas County for collection and/or foreclosure under the statutes applicable to the collection and enforcement of assessments by the County Treasurer, but only upon first receiving written confirmation from Lender that such Installment has not been paid prior to delinquency and prior to the expiration of any applicable notice and cure period under the Loan Agreement.

(e) The City, ENCEAD and Lender acknowledge and agree that any then-existing mortgage lender (of which Property Owner provides written notice) shall have the right, but not the obligation, to cure any default in the payment of any Installment by paying such Installment in full. The City, ENCEAD and Lender shall accept such cure as if made by Property Owner. The City has no obligation to provide any notice or any opportunity to cure any default to any third party, except as set forth in this Contract.

8. Limitation on Other Obligations Payable. ENCEAD will not issue or incur any obligations payable from the proceeds of the PACE Assessments nor voluntarily create or cause to be created any debt, lien, pledge, assignment, encumbrance or other charge upon the PACE Assessments or the Installments, except for administrative fees as provided in this Contract, the Loan Agreement, or as allowed by the Act.

9. ENCEAD Representations regarding Loan and Loan Documents. ENCEAD hereby represents to the Lender and to the Property Owner that (i) it is and will be duly authorized under all applicable laws to execute this Contract, (ii) this Contract is and will be the valid and legally enforceable obligation of ENCEAD, enforceable in accordance with its terms except

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to the extent that enforcement of it may be subject to bankruptcy and other similar laws affecting creditors' rights generally, and (iii) this Contract and the dollar amount and all other terms and conditions of the Loan as set forth herein, the Loan Agreement and the Note are in compliance with the provisions of the Act and the Ordinance. ENCEAD shall at all times, to the extent permitted by law, defend, preserve and protect the PACE Assessments created by this Contract and all the rights of the Lender hereunder against all claims and demands of all other persons.

10. Re-Levy of PACE Assessments. If ENCEAD shall have omitted to cause the assessment or collection of any PACE Assessments when it is required by this Contract or by the Act or Ordinance to have done so, then ENCEAD shall take all necessary steps to cause new PACE Assessments (equal in amount to those not assessed, levied or collected plus interest and penalties, if any, thereon) to be levied against the Property in addition to those PACE Assessments otherwise to be levied or assessed against the Property. If any PACE Assessment shall become uncollectible or unenforceable for any reason, including foreclosure, judicial decree or operation of law, then ENCEAD shall take all necessary steps to cause new PACE Assessments (equal in amount to the invalid PACE Assessments plus interest and penalties, if any, thereon) ("**Replacement Assessments**"), to be assessed and levied against the Property and the remaining PACE Assessments due and payable under this Contract shall be adjusted to reflect such Replacement Assessments and levy and Exhibits C and D hereto shall be amended to reflect such Replacement Assessments and levy. In the event new PACE Assessments or Replacement Assessments are levied, no late fees or default interest shall be charged on such additional or replacement amounts except to the extent future payments are not made prior to delinquency (and after taking into account any applicable notice and cure periods).

11. Covenant that Runs with the Land. The Property Owner agrees that the obligations set forth in this Contract, including the obligation to pay the Installments, the PACE Assessments, each PACE Assessment itself, any Replacement Assessments, any PACE liens arising in connection with each PACE Assessment, and all charges and fees permitted under this Contract are collectively a covenant for the benefit of the City and the Lender that touches, concerns and shall run with the land that comprises the Property, and are obligations upon all future owners of the qualifying Property during the term of this Contract as set forth in Section 4. Upon the transfer of ownership of the Property, including a sale under a foreclosure or a sale under the exercise of a power of sale under a deed of trust, the obligation to pay Installments and PACE Assessments shall run with the land comprising the Property. Property Owner agrees that, prior to the effective date of any contract that binds any purchaser to purchase the Property, the Property Owner shall provide notice to the purchaser that the purchaser assumes responsibility for payment of the PACE Assessments as provided in subdivision (3)(d) of Section 18-3205 of the Act.

12. Lien Priority. The Property Owner acknowledges that the financing under this Contract and the Loan Documents will be paid back as a statutory assessment levied against the Property under Section 13-3205(7) of the Act, notice of which shall be recorded against the Property in the Office of the Register of Deeds of Douglas County, Nebraska, and which assessment, together with interest, fees and any penalties, shall constitute a lien on the Property with the

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same priority and status as other property tax and assessment liens, and which shall be collected subject to the terms agreed as contained in this Contract and the Loan Documents.

13. Waiver of Strict Compliance on Lien Notices. The Property Owner waives, to the maximum extent permitted by law, compliance with the statutory notice requirements from the Lender to the City with regard to delinquencies under Section 13-3206 of the Act, or any amendment or replacement thereto, and agree that, with respect to any given delinquency where the notice provision has not been complied with, the Lender may redeclare the delinquency on a stated date to be determined by the Lender, give notice to the City as to such redeclared delinquency as provided by the Act which shall be treated for all purposes as if such redeclared delinquency was the initial delinquency, and the City shall thereafter file the lien provided for by the Act with respect to such PACE Assessment in the time period provided by the Act.

14. Prohibition Against Other Assessments. The Property Owner shall not, during the term of this Contract, enter into any other voluntary assessment contract with the City, or cause, suffer or permit any other voluntary assessment to be levied against the Property without the prior written consent of the Lender.

15. Waiver of Claims Against the City.

(a) For and in consideration of the City's execution and delivery of this Contract, the Property Owner, for itself and for its successor in interest to the Property and for any one claiming by, through or under the Property Owner, hereby waives the right to recover from the City and any and all officials, agents, employees, attorneys and representatives of the City (collectively, the "**City Parties**"), and fully and irrevocably releases the City Parties from, any and all claims, obligations, liabilities, causes of action or damages including attorneys' fees and court costs, that the Property Owner may now have or hereafter acquire against any of the City Parties and accruing from or related to (i) this Contract, (ii) the disbursement of the Loan Amount, (iii) the levy and collection of the PACE Assessments and/or Installments, (iv) the imposition of the PACE lien of the PACE Assessments, (v) the performance of the Project, (vi) the Project, (vii) any damage to or diminution in value of the Property that may result from construction or installation of the Project, (viii) any injury or death that may result from the construction or installation of the Project, (ix) the selection of manufacturer(s), dealer(s), supplier(s), contractor(s) and/or installer(s), and their action or inaction with respect to the Project, (x) the merchantability and fitness for any particular purpose, use or application of the Project, (xi) the amount of energy savings resulting from the Project or any assured performance guaranty, (xii) the workmanship of any third parties under any agreements including any construction contracts, and (xiii) any other matter with respect to the Project (collectively, the "**Liabilities**"). This release includes claims, obligations, liabilities, causes of action and damages of which Property Owner is not presently aware or which the Property Owner does not suspect to exist which, if known by Property Owner, would materially affect the Property Owner's release of the City Parties. Notwithstanding the foregoing, the Property Owner's release under this Section shall not extend to Liabilities arising from the City's intentional default, gross negligence or willful misconduct.

(b) The waivers and releases by the Property Owner contained in this Section shall survive the disbursement of the Loan Amount or any portion thereof, the payment of the Loan Amount in

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full, the transfer or sale of the Property by the Property Owner and the termination of this Contract.

16. Waiver of Claims Against the Lender.

(a) For and in consideration of the Lender's execution and delivery of this Contract, the Property Owner, for itself and for its successor in interest to the Property and for any one claiming by, through or under the Property Owner, hereby waives the right to recover from the Lender and any and all officials, agents, employees, attorneys and representatives of the Lender (collectively, the "**Lender Parties**"), and fully and irrevocably releases the Lender Parties from, any and all claims, obligations, liabilities, causes of action or damages including attorneys' fees and court costs, that the Property Owner may now have or hereafter acquire against any of the Lender Parties and accruing from or related to the Liabilities, as defined above. This release includes claims, obligations, liabilities, causes of action and damages of which the Property Owner is not presently aware or which Property Owner does not suspect to exist which, if known by the Property Owner, would materially affect the Property Owner's release of the Lender Parties. Notwithstanding the foregoing, the Property Owner's release under this Section shall not extend to Liabilities arising from the Lender's intentional default, gross negligence or willful misconduct.

(b) The waivers and releases by the Property Owner contained in this Section shall survive the disbursement of the Loan Amount or any portion thereof, the payment of the Loan Amount in full, the transfer or sale of the Property by the Property Owner and the termination of this Contract.

17. Administrative Fees.

(a) On the Effective Date, the Property Owner agrees to pay a one-time administration processing fee to ENCEAD in the amount of FORTY THOUSAND DOLLARS (\$40,000.00).

(b) The Installments shall include an administrative fee to be collected by ENCEAD in the amount of \$250.00 per Tax Year as of January 1st of each Tax Year. This fee shall be included, on an annual basis, in the Installments to be set forth on Schedule of Installments attached hereto as Exhibit C.

18. Project Completion. Upon completion of the Project, Property Owner will submit to ENCEAD and the Lender a written certification from Property Owner and the contractor(s), if any, that performed the work incident to the construction and installation of the Project, stating the actual cost of the Project. If the actual cost of the Project is less than the Loan Amount advanced by the Lender, the Property Owner shall immediately repay to ENCEAD the excess of the amount advanced over such actual cost of the Project and ENCEAD shall remit the full amount to the Lender.

19. Notices. Any notice, demand, consent, approval, request, or other communication or document required or permitted to be given by a party hereto to another party shall be deemed to have been given when (i) delivered personally (with written confirmation of receipt); (ii) sent by telefacsimile to a fax number as designated in writing by the party to whom the communication is addressed (with written confirmation of receipt), provided that a confirmation copy also is promptly mailed by certified mail, return receipt requested or sent

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by a nationally recognized overnight delivery service; (iii) sent by email to an email address as designated in writing by the party to whom the communication is addressed (with written confirmation of receipt), provided that a confirmation copy also is promptly mailed by certified mail, return receipt requested or sent by a nationally recognized overnight delivery service; (iv) received by the addressee, if sent by a nationally recognized overnight delivery service (receipt requested); or (v) received by the addressee, if sent by certified mail, return receipt requested, to the address set forth below:

If to Property Owner:	1111 North 13th Street Suite 101 Omaha, NE 68102 Attn: Michael T. Moylan
with copy to:	Kutak Rock LLP 1650 Farnam Street Omaha, NE 68102 Attention: Margot J. Wickman
If to Lender:	Petros PACE Finance, LLC 300 W. 6th Street, Suite 1540 Austin, TX 78701 Attn.: Mansoor Ghori
If to ENCEAD, to:	Eastern Nebraska Clean Energy Assessment District Omaha/Douglas Civic Center 1819 Farnam Street, Suite 1111 Omaha, NE 68183 Attn: William Lukash
with copy to:	City of Omaha Law Department Omaha/Douglas Civic Center 1819 Farnam Street Omaha, NE 68183 Attn: Jennifer Taylor

or to such other person or address as the Property Owner, City, Lender and ENCEAD shall furnish to each other in writing.

20. Assignment or Sale by Lender. Property Owner and ENCEAD agree that the Lender may, at its option, assign the Loan, and its rights and obligations under the Loan (including this Contract, the Note and the other Loan Documents), and Property Owner, ENCEAD and the Lender acknowledge and agree that there are no limitations on the right of the Lender to assign its interests in the Loan.

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21. Collateral Assignment of this Contract. ENCEAD agrees that this Contract may be collaterally assigned by Property Owner to the Lender and its successors or assigns.
22. Supremacy. In the event of any conflict, inconsistency or ambiguity between the provisions of this Contract and the provisions of the Loan Agreement, the provisions of this Contract shall control.
23. Compliance with Laws. The Lender and Property Owner hereby agree to comply with all applicable federal, state and local lending and disclosure requirements and with the provisions of the Act.
24. Counterparts. This Contract may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall be deemed a single agreement.
25. Amendment. This Contract may be amended only by a writing signed by the Property Owner, the Lender and ENCEAD.
26. Severability. If any one or more of the provisions of this Contract shall be found to be invalid, illegal or unenforceable in any respect of to any extent, such finding shall not affect the validity, legality or enforceability of the remaining provisions of this Contract.
27. Transferability. Property Owner, the Lender and ENCEAD agree that the obligations of this Contract are covenants that shall run with the land and be binding on all future owners of the Property.
28. Effect of Subdivision of Property. No subdivision of the Property subject to this Contract shall be valid unless an amendment to this Contract divides the total PACE Assessments between the newly subdivided parcels pro rata to the special benefit realized by each subdivided parcel.

[Signature Pages Follow]

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LENDER:

PETROS PACE FINANCE, LLC

By 
Mansoor Ghori, its Manager

STATE OF TEXAS)
) ss.
COUNTY OF TRAVIS)

The foregoing instrument was acknowledged before me this 17th day of December 2018, by Mansoor Ghori, personally known to me to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the entity upon behalf of which he acted, executed the instrument. He is the Manager of Petros PACE Finance, LLC, and he acknowledged, signed and delivered the instrument as his free and voluntary act, for the uses and purposes therein set forth.


Notary Public



Signature Page S - 2

PACE Assessment Contract
Capitol District Hotel

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EXHIBIT A

Legal Description of Property

Base Parcel: 0747050073
Tax Key: 4705 0073 07

Excess Parcel: 0747050075
Tax Key: 4705 0075 07

Lot 2, in The Capitol District Replat 1, an Addition to the City of Omaha, as surveyed, platted and recorded in Douglas County, Nebraska.

Exhibit A - 1

PACE Assessment Contract
Capitol District Hotel

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EXHIBIT B

Description of Project

- Roofing
- Fenestration
- Building automation
- HVAC
- Lighting
- Kitchen equipment
- Elevators
- Water fixtures and heaters

Exhibit B - 1

PACE Assessment Contract
Capitol District Hotel

EXHIBIT C
SCHEDULE OF INSTALLMENTS

Payment Date	Period	Total Payment	Annual Program Fee	Beginning Loan Balance	Loan Payment	Principal Payment	Interest Payment	Ending Loan Balance
12/20/2018	0	-		(16,340,000.00)	-	-	-	(16,340,000.00)
7/20/2019	1	671,702.51	250.00	(16,340,000.00)	671,452.51	191,011.12	480,441.39	(16,148,988.88)
12/20/2019	2	671,702.51	250.00	(16,148,988.88)	671,452.51	191,011.12	480,441.39	(15,957,977.76)
7/20/2020	3	671,702.51	250.00	(15,957,977.76)	671,452.51	202,243.63	469,208.88	(15,755,734.13)
12/20/2020	4	671,702.51	250.00	(15,755,734.13)	671,452.51	202,243.63	469,208.88	(15,553,490.50)
7/20/2021	5	671,702.51	250.00	(15,553,490.50)	671,452.51	214,136.68	457,315.83	(15,339,353.82)
12/20/2021	6	671,702.51	250.00	(15,339,353.82)	671,452.51	214,136.68	457,315.83	(15,125,217.14)
7/20/2022	7	671,702.51	250.00	(15,125,217.14)	671,452.51	226,729.11	444,723.40	(14,898,488.03)
12/20/2022	8	671,702.51	250.00	(14,898,488.03)	671,452.51	226,729.11	444,723.40	(14,671,758.92)
7/20/2023	9	671,702.51	250.00	(14,671,758.92)	671,452.51	240,062.04	431,390.47	(14,431,696.88)
12/20/2023	10	671,702.51	250.00	(14,431,696.88)	671,452.51	240,062.04	431,390.47	(14,191,634.84)
7/20/2024	11	671,702.51	250.00	(14,191,634.84)	671,452.51	254,179.02	417,273.49	(13,937,455.82)
12/20/2024	12	671,702.51	250.00	(13,937,455.82)	671,452.51	254,179.02	417,273.49	(13,683,276.80)
7/20/2025	13	671,702.51	250.00	(13,683,276.80)	671,452.51	269,126.16	402,326.35	(13,414,150.64)
12/20/2025	14	671,702.51	250.00	(13,414,150.64)	671,452.51	269,126.16	402,326.35	(13,145,024.48)
7/20/2026	15	671,702.51	250.00	(13,145,024.48)	671,452.51	284,952.28	386,500.23	(12,860,072.20)
12/20/2026	16	671,702.51	250.00	(12,860,072.20)	671,452.51	284,952.28	386,500.23	(12,575,119.92)
7/20/2027	17	671,702.51	250.00	(12,575,119.92)	671,452.51	301,709.05	369,743.46	(12,273,410.87)
12/20/2027	18	671,702.51	250.00	(12,273,410.87)	671,452.51	301,709.05	369,743.46	(11,971,701.82)
7/20/2028	19	671,702.51	250.00	(11,971,701.82)	671,452.51	319,451.22	352,001.29	(11,652,250.60)
12/20/2028	20	671,702.51	250.00	(11,652,250.60)	671,452.51	319,451.22	352,001.29	(11,332,799.38)
7/20/2029	21	671,702.51	250.00	(11,332,799.38)	671,452.51	338,236.73	333,215.78	(10,994,562.65)
12/20/2029	22	671,702.51	250.00	(10,994,562.65)	671,452.51	338,236.73	333,215.78	(10,656,325.92)
7/20/2030	23	671,702.51	250.00	(10,656,325.92)	671,452.51	358,126.93	313,325.58	(10,298,198.99)
12/20/2030	24	671,702.51	250.00	(10,298,198.99)	671,452.51	358,126.93	313,325.58	(9,940,072.06)
7/20/2031	25	671,702.51	250.00	(9,940,072.06)	671,452.51	379,186.78	292,265.73	(9,560,885.28)
12/20/2031	26	671,702.51	250.00	(9,560,885.28)	671,452.51	379,186.78	292,265.73	(9,181,698.50)
7/20/2032	27	671,702.51	250.00	(9,181,698.50)	671,452.51	401,485.07	269,967.44	(8,780,213.43)
12/20/2032	28	671,702.51	250.00	(8,780,213.43)	671,452.51	401,485.07	269,967.44	(8,378,728.36)
7/20/2033	29	671,702.51	250.00	(8,378,728.36)	671,452.51	425,094.62	246,357.89	(7,953,633.74)
12/20/2033	30	671,702.51	250.00	(7,953,633.74)	671,452.51	425,094.62	246,357.89	(7,528,539.12)
7/20/2034	31	671,702.51	250.00	(7,528,539.12)	671,452.51	450,092.55	221,359.96	(7,078,446.57)
12/20/2034	32	671,702.51	250.00	(7,078,446.57)	671,452.51	450,092.55	221,359.96	(6,628,354.02)
7/20/2035	33	671,702.51	250.00	(6,628,354.02)	671,452.51	476,560.49	194,892.02	(6,151,793.53)
12/20/2035	34	671,702.51	250.00	(6,151,793.53)	671,452.51	476,560.49	194,892.02	(5,675,233.04)
7/20/2036	35	671,702.51	250.00	(5,675,233.04)	671,452.51	504,584.89	166,867.62	(5,170,648.15)
12/20/2036	36	671,702.51	250.00	(5,170,648.15)	671,452.51	504,584.89	166,867.62	(4,666,063.26)
7/20/2037	37	671,702.51	250.00	(4,666,063.26)	671,452.51	534,257.29	137,195.22	(4,131,805.97)
12/20/2037	38	671,702.51	250.00	(4,131,805.97)	671,452.51	534,257.29	137,195.22	(3,597,548.68)
7/20/2038	39	671,702.51	250.00	(3,597,548.68)	671,452.51	565,674.59	105,777.92	(3,031,874.09)
12/20/2038	40	671,702.51	250.00	(3,031,874.09)	671,452.51	565,674.59	105,777.92	(2,466,199.50)
7/20/2039	41	671,702.51	250.00	(2,466,199.50)	671,452.51	598,939.39	72,513.12	(1,867,260.11)
12/20/2039	42	671,702.51	250.00	(1,867,260.11)	671,452.51	598,939.39	72,513.12	(1,268,320.72)
7/20/2040	43	671,702.51	250.00	(1,268,320.72)	671,452.51	634,160.36	37,292.15	(634,160.36)
12/20/2040	44	671,702.51	250.00	(634,160.36)	671,452.51	634,160.36	37,292.15	-

Exhibit C - 1

PACE Assessment Contract
Capitol District Hotel

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The above Installments are based on the following assumptions:

1. All interest payable shall be calculated on the basis of a 360-day year, but shall be charged for the actual number of days elapsed, that is, by applying the ratio of the interest rate over a year of 360 days, multiplied by the outstanding principal balance, multiplied by the actual number of days the principal balance is outstanding.
2. There is no Installment due December 20, 2018.
3. The Lender disburses all Loan proceeds to the Property Owner (as defined in the Loan Agreement) on December 20, 2018. Interest accrues from the date of disbursement at the interest rate described above.
4. After the initial Installment, ENCEAD will adjust the PACE Assessments and the subsequent Installments, if necessary, to reflect the actual PACE Assessments due under the Contract, as certified to ENCEAD by Lender.
5. The above Installments shown above shall include the County Treasurer Fee.

Exhibit C - 2

PACE Assessment Contract
Capitol District Hotel

