



MISC 2008101150

Handwritten notes: "MIX 50", "EE 23", "FB 01.000000", "DNR 14.12", "COMP", "SCAN", "TV".



OCT 16 2008 13:49 P 5

Received - DIANE L. BATTIATO  
Register of Deeds, Douglas County, NE  
10/16/2008 13:49:55.77



2008101150

[This Space Above Line is for Recording Data]

**NOTICE OF REDEVELOPMENT AGREEMENT COVENANTS**

This Notice of Redevelopment Agreement Covenants ("Notice") is made and entered into by an among THE CITY OF OMAHA, NEBRASKA (the "City"), and SOUTH 72<sup>ND</sup> STREET ASSOCIATES, LLC, a Colorado limited liability company (the "Developer").

**WITNESSETH:**

1. The City and the Developer entered into a Redevelopment Agreement (the "Redevelopment Agreement") dated September 23, 2008 (approved by Ordinance No. 38243), pertaining to the real estate described on Exhibit A attached hereto and by this reference incorporated herein (the "Redevelopment Site"). Capitalized terms used in this Notice and not otherwise defined herein shall have the meanings given to such terms in the Redevelopment Agreement.

2. The Redevelopment Agreement provides that the following excerpts from Section 3 of the Redevelopment Agreement shall constitute covenants running with the land comprising the Redevelopment Site and be binding on subsequent owners of the Redevelopment Site as long as any Redevelopment Note issued pursuant to the Redevelopment Agreement is outstanding. The covenants, inter alia, are as follows:

3.5 In recognition of unusual circumstances associated with the development of the Redevelopment Project and the fact that the Developer intends to sell and/or lease the renovated building and/or lots within the Redevelopment Site to third party users, the parties agree that it is not feasible in this Agreement to allocate any minimum real estate tax valuation to any particular lot. At closing, the Developer will certify to the City in writing that the Developer has given written notice to the bank or other lender of the redevelopment loan funds, if any, and further, that the owners of the lots within the Redevelopment Site will not have the right to protest any real estate tax valuations of their respective lots while the TIF note is outstanding. The Developer agrees that it will not protest a real estate improvement valuation on the Redevelopment Site \$4,890,000.00 or less prior to or during construction, and it is anticipated that upon substantial completion of the Redevelopment Site, the real estate valuation shall be approximately \$27,923,015. So long as the Redevelopment Note is outstanding, no owner of any taxable lot, including the Developer, may protest any improvement valuation on such lot if the entire Redevelopment Site has a value of \$27,923,015 or less. In addition, during the period that the Redevelopment Note is outstanding, the Developer shall: (1) not convey any portion of the Redevelopment Site or any structures thereon to any entity which would be exempt from the payment of real estate taxes; (2) not apply to the

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Douglas County Assessor for the structures, or any portion thereof, to be taxed separately from the underlying land of the Redevelopment Site; (3) maintain insurance for ninety percent (90%) of the full insurable value of the structures on the Redevelopment Site, subject to such deductibles, however, as the Developer and any subsequent owner of the real estate may determine; (4) in the event of a casualty loss, the Developer or the then owner of the damaged property, as appropriate, shall reconstruct such improvements or, alternatively, shall escrow funds or provide insurance proceeds in an amount equivalent to the amount of Excess ad valorem Taxes that would have been generated from the property had it not been damaged (such escrowed funds or insurance proceeds shall be used to amortize the outstanding Redevelopment Notes secured by the Excess ad valorem Taxes from that owner's real estate); and (5) cause all real estate taxes and assessments levied on the Redevelopment Site owned by the developer to be paid prior to the time such become delinquent.

3. The Developer has agreed to include the covenants set forth above in any subsequent sale, assignment, sale-leaseback or other transfer of the Redevelopment Site.

4. This Notice of Redevelopment Agreement Covenants is executed pursuant to the provisions contained in the Redevelopment Agreement and is not intended to vary the terms and conditions of the Redevelopment Agreement. The sole purpose of this Notice is to give notice of such covenants.

5. This Notice of Redevelopment Agreement Covenants may be executed in counterparts, each of which will be deemed an original and all of which together will constitute one agreement. The signature page of any counterpart may be detached therefrom without impairing the legal effect of the signature(s) thereon provided such signature page is attached to any other counterpart identical thereto.

IN WITNESS WHEREOF, the Developer parties hereto have executed this Notice of Redevelopment Agreement Covenants on the dates set forth beneath their respective signatures.

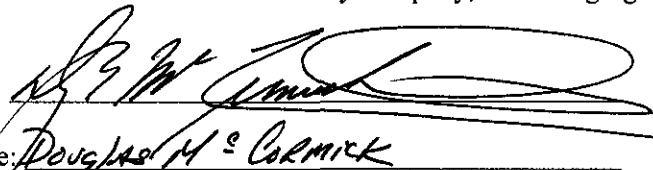
DEVELOPER:

SOUTH 72ND STREET ASSOCIATES, LLC,  
a Delaware limited liability company

By: 72nd Street Partners, LLC,  
a Colorado limited liability company, its Managing Member

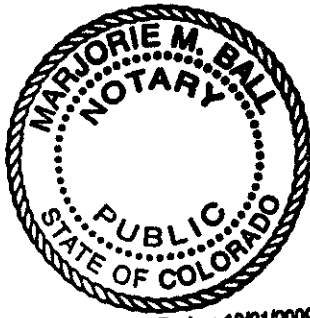
By: Alliance Real Estate Value Fund III, LLC,  
a Delaware limited liability company, its Manager

By: AVF Management, LLC,  
a Colorado limited liability company, its Managing Member

By:   
Name: Douglas M. Carmick  
Title: Member

STATE OF Colorado )  
 )ss.  
COUNTY Jefferson )

Douglas McCormick Member of AVF Management, LLC, a Colorado limited liability company, Manager of Alliance Real Estate Value Fund III, LLC, a Delaware limited liability company, as Manager of South 72<sup>nd</sup> Street Associates, LLC, a Delaware limited liability company, acknowledged the foregoing Notice of Redevelopment Agreement Covenants before me this 22 day of September 2008.



My Commission Expires 10/31/2009

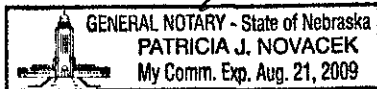
Marjorie M Ball  
Notary Public  
My commission expires on 10/31/09.

CITY OF OMAHA, a municipal corporation

By:

*[Handwritten signature]*

STATE OF NEBRASKA )  
 ) ss.  
COUNTY OF DOUGLAS )



*Patricia J. Novacek*

The foregoing instrument was acknowledged before me this 14<sup>th</sup> of October, 2008, by Kenneth E. Johnson, Econ. Dev. Mgr. of the City of Omaha, on behalf of said municipal corporation.

## EXHIBIT A

### LEGAL DESCRIPTION

THAT PART OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4 OF SECTION 1, TOWNSHIP 14 NORTH, RANGE 12 EAST OF THE 6th P.M., IN THE CITY OF OMAHA, DOUGLAS COUNTY, NEBRASKA, DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF THE NORTHWEST 1/4 OF SAID SECTION 1; THENCE SOUTH 00°00'00" EAST (ASSUMED BEARING) FOR 74.56 FEET ALONG SAID WEST LINE OF SAID NORTHWEST QUARTER; THENCE NORTH 90°00'00" EAST FOR 42.00 FEET TO THE EAST RIGHT-OF-WAY LINE OF 72nd STREET AND THE TRUE POINT OF BEGINNING; THENCE NORTH 22°32'21" EAST FOR 23.92 FEET ALONG THE EASTERLY RIGHT-OF-WAY LINE OF 72nd STREET TO THE SOUTH RIGHT-OF-WAY LINE OF THE RAILROAD; THENCE (THE NEXT SEVEN COURSES ARE ALONG THE SOUTH RIGHT-OF-WAY LINE OF THE RAILROAD) (1) NORTH 89°57'23" EAST FOR 543.82 FEET; THENCE (2) ALONG A CURVE TO THE RIGHT (HAVING A RADIUS OF 328.27 FEET AND A LONG CHORD BEARING SOUTH 79°03'37" EAST FOR 125.09 FEET) FOR AN ARC DISTANCE OF 125.86 FEET; THENCE (3) SOUTH 68°04'37" EAST FOR 100.70 FEET; THENCE (4) ALONG A CURVE TO THE LEFT (HAVING A RADIUS OF 348.27 FEET AND A LONG CHORD BEARING NORTH 89°45'38" EAST FOR 262.76 FEET) FOR AN ARC DISTANCE OF 269.43 FEET; THENCE (5) SOUTH 37°30'07" EAST FOR 21.60 FEET; THENCE (6) ALONG A CURVE TO THE LEFT (HAVING A RADIUS OF 329.62 FEET AND A LONG CHORD BEARING NORTH 60°38'38" EAST FOR 21.33 FEET) FOR AN ARC DISTANCE OF 21.33 FEET; THENCE (7) NORTH 48°47'23" EAST FOR 128.00 FEET TO THE SOUTH RIGHT-OF-WAY OF "F" STREET; THENCE NORTH 89°57'20" EAST FOR 118.34 FEET ALONG SAID SOUTH RIGHT-OF-WAY LINE; THENCE SOUTH 00°01'37" EAST FOR 664.91 FEET; THENCE SOUTH 08°36'07" WEST FOR 466.50 FEET; THENCE SOUTH 50°17'12" WEST FOR 233.92 FEET; THENCE NORTH 89°56'35" WEST FOR 1026.86 FEET TO THE EAST RIGHT-OF-WAY LINE OF 72nd STREET; THENCE NORTH 00°00'00" EAST FOR 1231.52 FEET ALONG SAID EAST RIGHT-OF-WAY LINE TO THE TRUE POINT OF BEGINNING.