



BK 0875 PG 222



MISC 1989 00943

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SECOND AMENDMENT  
TO REDEVELOPMENT AGREEMENT

THIS SECOND AMENDMENT is entered into by and between the City of Omaha (the "City") and Farnam Associates Limited Partnership, a Delaware Limited Partnership.

WHEREAS, the City of Omaha, Nebraska has entered into a Redevelopment Agreement with Farnham Acquisitions, Inc., a Michigan Corporation, 3810 Varsity Drive, Ann Arbor, Michigan, on November 14, 1985, as amended on December 12, 1986, for the redevelopment of the McKesson-Robbins Building; and,

WHEREAS, on April 15, 1987 Farnham Acquisitions, Inc. assigned its interests and obligations in the Redevelopment Agreement to Farnam Associates Limited Partnership, a Delaware Limited Partnership; and,

WHEREAS, this Amendment modifies that Redevelopment Agreement.

IN CONSIDERATION OF THESE MUTUAL COVENANTS, AND THOSE IN THE REDEVELOPMENT AGREEMENT, THE PARTIES AGREE AS FOLLOWS:

The following provisions specifically modify the Redevelopment Agreement, as previously amended. Unless specifically modified or amended herein, the provisions of such Redevelopment Agreement, as previously amended, shall remain binding between the parties, their successors and assigns.

1. Section 3.4 is modified by extending the date of substantial completion of the McKesson-Robbins Building (the "Greenhouse") rehabilitation from December 31, 1988 to December 31, 1989. Such extension is contingent upon the disbursement of funds by January 31, 1989 from The Patrician Mortgage Company, 1850 M Street, NW, Washington, D.C., and other lenders. Such funds, in the amount of \$8,810,900.00, shall be available to the Developer for the Project. A failure to achieve such disbursement shall constitute a breach of the Redevelopment Agreement and allow the City to take such necessary actions to protect its interests without further notice to the Developer.
2. Exhibit "C", the Parking Lease, is modified by including the addendum set out in Exhibit I, attached hereto.
3. The Redevelopment Agreement, as amended, shall run with the land described on Schedule "A", attached hereto.

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 GEORGE J. DODIEWICZ  
 REGISTER OF DEEDS  
 POLK COUNTY, NEBR. C



In further consideration of the mutual covenants herein contained, the parties hereto expressly agree that for purposes of notice, including legal service of process, during the term of this Agreement and for the period of any applicable statute or limitations thereafter, the following named individuals shall be the authorized representatives of the parties:

(1) City of Omaha:  
Director, Planning Department  
Omaha/Douglas Civic Center  
1819 Farnam Street  
Omaha, Nebraska 68183

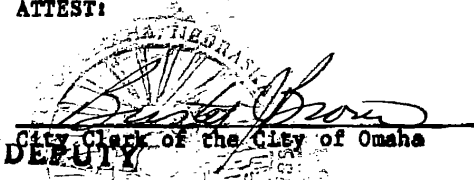
Legal Service:  
City Clerk  
Omaha/Douglas Civic Center  
1819 Farnam Street  
Omaha, Nebraska 68183

(2) For U. S. Mail delivery:  
Herbert M. Schneider  
Farnam Associates, Limited  
Partnership  
P. O. Box 8420  
Ann Arbor, Michigan 48107

For private courier delivery:  
Herbert M. Schneider  
Farnam Associates, Limited  
Partnership  
3810 Varsity Drive  
Ann Arbor, Michigan 48104

EXECUTED this 19th day of January, 1989.

ATTEST:

  
[Signature]  
City Clerk of the City of Omaha  
DEPUTY

CITY OF OMAHA:

Walter M. Calmeyer 4/19/89  
Mayor of the City of Omaha

ATTEST:



[Signature]  
Asst Secretary  
John Stamm

FARNAM ASSOCIATES LIMITED PARTNERSHIP  
("Assignee")

Schneider Ten, Inc., General Partner

By: Herbert M. Schneider  
Herbert M. Schneider, President

Herbert M. Schneider  
Herbert M. Schneider, General Partner

~~STATE OF MICHIGAN~~ )  
District of Columbia ss.  
~~COUNTY OF WASHTENAW~~

Before me, a Notary Public qualified for said County, personally came HERBERT M. SCHNEIDER, individually and as president of SCHNEIDER TEN, INC., both as general partners of FARNAM ASSOCIATES LIMITED PARTNERSHIP, a Delaware Limited Partnership, known to me to be the same and identical person who signed the foregoing Assignment and acknowledged the execution thereof to be his voluntary act and deed individually and the voluntary act and deed of SCHNEIDER TEN, INC., both on behalf of said Partnership.



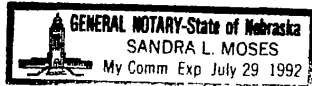
BOOK 875 PAGE 224  
Witness my hand and notarial seal this 5<sup>th</sup> day of January, 1989.

*Kathleen M. Hughes*  
Notary Public  
~~Washtenaw County, Michigan~~ District of Columbia  
My Commission Expires: 10/31/91

STATE OF NEBRASKA)  
) ss.  
COUNTY OF DOUGLAS)

Before me, a Notary Public qualified for said County, personally came *Walter M. Calinger & Buster Brown* known to me to be the *Mayor & Deputy City Clerk, respectively* and identical persons who signed the foregoing Amendment and acknowledged the execution thereof to be his voluntary act and deed of such officer and the voluntary act and deed of said City.

Witness my hand and notarial seal this 19<sup>th</sup> day of January, 1989.



*Sandra L. Moses*  
Notary Public

My Commissioner expires: 7/29/92

APPROVED AS TO FORM:

*Ken Boyer*  
ASSISTANT CITY ATTORNEY

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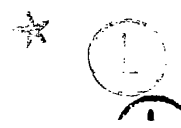


Schedule A

The property hereinafter described, The Greenhouse, an eight-story building situated on 17,474 square feet of land and located on the north side of Farnam Street just west of 9th Street in Omaha, Nebraska and any substitute structure as may be located thereon from time to time pursuant to this instrument; as limited to the area: above the ground level and below the outline of the actual parts of the parapet walls and replacements thereof, and between the ends of front faces of the building on Farnam Street (approximately 132 feet) and 9th Street (approximately 132 feet) limited to those visible surfaces which are located on the plane of the street line of Farnam Street and 9th Street; said building being located on the following property:

Legal Description: The East 3.50 feet of Lot 6, all Lots 7 and 8, and the South 2.00 feet of the vacated alley adjoining the North, all in Block 124, ORIGINAL CITY OF OMAHA, Douglas County, Nebraska.

Subject to encumbrances and easements of record.



ADDENDUM

ATTACHED TO PARKING LEASE  
DATED NOVEMBER 14, 1985  
AND MADE A PART THEREOF

The lease this addendum is attached to and made a part thereof is not altered except as set forth below and remains in full force and effect. Notwithstanding any other provisions of this lease, if and so long as this leasehold is subject to a mortgage coinsured, insured, or held by the Federal Housing Commissioner, or the demised premises are acquired and held by the Coinsuring Lender (which term includes any successors or assigns, including the Government National Mortgage Corporation and the Secretary of Housing and Urban Development):

1. The Developer (which term includes any successors or assigns) is authorized to obtain a loan, the repayment of which is to be coinsured by the Federal Housing Commissioner and secured by a mortgage on this leasehold estate. Developer is further authorized to execute a mortgage on this leasehold and otherwise to comply with the requirements of the Federal Housing Commissioner for obtaining such a coinsured mortgage loan.
2. If approved under the Federal Housing Commissioner's procedures for Transfer of Physical Assets, Developer may assign, transfer or sell its interest in the demised premises.
- 3.(a) Insurance policies shall be in an amount, and with such company or companies and in such form, and against such risks and hazards, as shall be approved by the Coinsuring Lender and/or the Federal Housing Commissioner.  
  
(b) The City shall not take out separate insurance concurrent in form or contributing in the event of loss with that specifically required to be furnished by the Developer to the Coinsuring Lender. The City may at its own expense, however, take out separate insurance which is not concurrent in form or not contributing in the event of loss with that specifically required to be furnished by the Developer.
- 4.(a) If all or any part of the demised premises shall be taken by condemnation that portion of any award attributable to the improvements or damage to the improvements shall be paid to the Coinsuring Lender or otherwise disposed of as may be provided in the coinsured mortgage. Any portion of the award attributable solely to the taking of land shall be paid to the City. After the date of taking the annual ground rent shall be reduced ratably by the proportion which the award paid to the City bears to the total value of the land as established by the amount the holder of the leasehold interest would be required to pay upon acquisition of the fee.  
  
(b) In the event of a negotiated sale of all or a portion of the demised premises in lieu of condemnation, the proceeds shall be distributed and ground rents reduced as provided in cases of condemnation, but the approval of and the Coinsuring Lender shall be required as to the amount and division of the payment to be received.

5. The City agrees that, within ten (10) days after receipt of written request from Developer, it will join in any and all applications for permits, licenses or other authorizations required by any governmental or other body claiming jurisdiction in connection with any work which the Developer may do hereunder, and will also join in any grants for easements for electric, telephone, gas, water, sewer and such other public utilities and facilities as may be reasonably necessary in the operation of the demised premises or of any improvements that may be erected thereon; and if, at the expiration of such ten (10) days' period, the City shall not have joined in any such application, or grants for easements, the Developer shall have the right to execute such application and grants in the name of the City, and, for that purpose, the City hereby irrevocably appoints the Developer as its Attorney-in-fact to execute such papers on behalf of the City.
6. Nothing contained in this lease shall require the Developer to pay any franchise, estate, inheritance, succession, capital levy or transfer tax of the City, or any income, excess profits or revenue tax, or any other tax, assessment, charge or levy upon the rent payable by the Developer under this lease.
7. Upon any default under this lease which authorizes the cancellation thereof by the City, City shall give notice to the Coinsuring Lender. Coinsuring Lender shall have the right within any time within six (6) months from the date of such notice to correct the default and reinstate the lease unless City has first terminated the lease as provided herein.

At any time after two (2) months from the date a notice of default is given to the Coinsuring Lender, the City may elect to terminate the lease and acquire possession of the demised premises. Upon acquiring possession of the demised premises City shall notify the Coinsuring Lender. The Coinsuring Lender shall have six (6) months from the date of such notice of acquisition to elect to take a new lease on the demised premises. Such new lease shall have a term equal to the unexpired portion of the term of this lease and shall be on the same terms and conditions as contained in this lease, except that the Coinsuring Lender's liability for ground rent shall not extend beyond its occupancy under such lease. The City shall tender such new lease to the mortgagee within thirty (30) days after a request for such lease and shall deliver possession of the demised premises immediately upon execution of the new lease. Upon executing a new lease the Coinsuring Lender shall pay to City any unpaid ground rental due or that would have become due under this lease to the date of the execution of the new lease, including any taxes which were liens on the demised premises and which were paid by City, less any net rentals or other income which City may have received on account of this property since the date of default under this lease.

8. All notices, demands and requests which are required to be given by the City, the Developer, or the Coinsuring Lender shall be in writing and shall be sent by registered or certified mail, postage

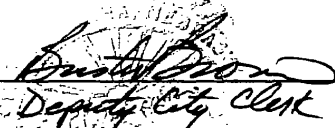


prepaid, and addressed to the address of the party as given in this instrument unless a request for a change in this address has been sent to the party giving the notice by registered or certified mail prior to the time when such notice is given.

9. This lease shall not be modified without the consent of the Coinsuring Lender and the Federal Housing Commissioner.

ATTEST/WITNESS:

CITY OF OMAHA  
("CITY")

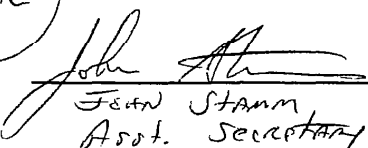
  
Deputy City Clerk

By: Walter M. Calinger  
Print Name: Walter M. Calinger  
Title: Mayor  
Date: 1/19/89

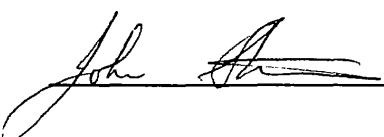
FARNAM ASSOCIATES LIMITED PARTNERSHIP



By: Schneider Ten, Inc.  
General Partner

  
Fern Stamm  
Asst. Secretary

By: Herb M. Schneider  
Herbert M. Schneider  
President  
Date: 1/5/89



By: Herb M. Schneider  
Herbert M. Schneider  
General Partner  
Date: 1/5/89