

LEASE

THIS LEASE, made and executed this 29 day of April, 1967, by and between the Lessor, VALLEY FEED YARDS, INC., and the Lessee, RAY'S VALLEY LAKES, INC., a Nebraska Corporation, shall be deemed to supplant and replace a certain Lease made the 30th day of August, 1966, by and between the parties hereto, and said earlier lease shall be deemed null and void.

WITNESSETH

That the Lessor does hereby demise and lease unto the Lessee the following described property, situated in Douglas County, Nebraska, to wit:

That part of Sections Thirty-Four (34) and Thirty-Five (35), Township Sixteen North (16N), Range Nine East (9E), and Sections One (1) and Two (2) and Three (3), Township Fifteen North (15N), Range Nine East (9E) of the 6th P. M., Douglas County, Nebraska, described as follows: Beginning at a point on the South R. O. W. Line of State Highway 64, which is 33.0 feet South and 33.0 feet East of the N. W. Corner of Section 35; thence South a distance of 1320.0 feet; thence East a distance of 1040.0 feet; thence South $15^{\circ} 00' 00''$ East, a distance of 600.0 feet; thence South $4^{\circ} 15' 20''$ East, a distance of 610.0 feet; thence Southeasterly to the Southeast corner of the Southwest Quarter of the Northwest Quarter of Section 35; thence South along the East line of the Northwest Quarter of the Southwest Quarter of said Section 35, 1200 feet; thence Southeasterly to a point being 1800 feet West of the SE Corner of said Section 35; thence East along the South line of said Section 35, 1800 feet to the Southeast Corner of said Section 35; thence South on the East line of said Section 2, Township 15 North, Range 9 East to the Northerly R. O. W. Line of Union Pacific Railroad; thence Southwesterly along the Northerly R. O. W. Line of Union Pacific Railroad to a point where it intersects the Easterly bank of the Platte River as it now exists; thence Northwesterly along the Easterly bank of the Platte River as it now exists to a point of intersection with the Southerly R. O. W. Line of State Highway No. 64; thence Easterly along the South R. O. W. Line of said Highway No. 64 to the point of beginning.

The Lessee agrees, and the Lessor understands, that the property will be occupied for the purpose of recreational and residential development for the term of fifty (50) years, commencing January 1, 1967, and ending on

the 31st day of December, 2016.

That Lessee shall have the right and privilege of subdividing said property, subleasing portions thereof, the privilege of constructing roadways, water and sewer systems, excavating, filling, removing and planting trees, dredging and all other work necessary for the foregoing purposes and to operate a commercial recreational business and to develop the aforescribed property to its highest and best use in the opinion of the Lessee. Lessee may sublease the tract of ground described as Parcel A in Exhibit A attached hereto and made a part hereof to Dietz Meadows, Inc. for the purpose of promoting the subdivision improvement and rental of home sites. Lessor agrees to join in the execution of a plat prepared and submitted by said corporation for such purpose.

In consideration of the foregoing demise, the Lessee does hereby accept said Lease and hereby covenants to perform the agreements hereby imposed, and to pay the Lessor as rental for said premises, the following sums, to wit:

For the year 1967	\$7,300.00
For the year 1968	\$9,300.00
For the year 1969	\$11,300.00
For the year 1970	\$16,300.00
For the year 1971	\$19,300.00

For the year 1972, and all years thereafter, until the expiration of this Lease, the sum of \$21,300.00 per year, except, however, the Lessee agrees to pay to the Lessor in addition in any year in which the gross income from sub-leasing of said premises exceeds \$60,000.00, five percent (5%) of all of said gross income over \$60,000.00; provided, however, the gross income from subleasing of said premises shall be deemed to include sublease payments from Sublessees of Dietz Meadows, Inc. to

Dietz Meadows, Inc., but not include sublease payments from Dietz Meadows, Inc. to Lessee. The above payments are to be payable in the amount of 40% on or before July 15 of the current year and the balance payable on or before December 31 of the current year.

In the event Lessee fails, neglects or refuses to make the rental payments to Lessor as hereinbefore set out, Dietz Meadows, Inc. may make said payments directly to Lessor and shall be entitled to credit for such payments so made upon the sublease payments required under the terms of his Sublease from Lessee.

Lessee agrees to and will keep railroad trackage on said lease land clear of all automobiles and any and all other obstructions at all times, it being understood that no such railroad trackage is located upon the tract of ground described in Exhibit A.

Lessee agrees that any utilities installed by Lessee or by Dietz Meadows, Inc. or by the Sublessees of Dietz Meadows, Inc. shall not be removed from said premises and shall belong to the Lessor upon the termination of this Lease. Any buildings erected upon the premises described above may be removed by the Lessee, Dietz Meadows, Inc., or by the Sublessees of Dietz Meadows, Inc. upon or prior to the termination of this Lease.

It is further agreed between the parties that the real estate taxes assessed against the leased premises shall be paid by the Lessor to the extent of \$1200.00 per year. Lessee agrees to pay all real estate taxes in excess of \$1200.00 per year. In the event Lessee fails, neglects or refuses to pay all real estate taxes in excess of \$1200.00 per year, Lessee's Sublessee, Dietz Meadows, Inc. may pay the same and deduct the amount thereof from payments due the Lessee from the Dietz Meadows, Inc.

Lessee agrees not to change or alter the natural drainage or flow of water on or across the leased premises in such a manner as would be harmful to any of the surrounding property owners.

Lessor hereby grants to Lessee the privilege and option of extending this Lease for an additional period of twenty (20) years upon giving six (6) months written notice prior to expiration of this Lease. The base rental for said period shall be at the rate of \$31,300.00 per year; percentage rentals as computed during the original lease term shall be paid during such additional term. All rental during the additional term shall be payable at the same rate as during the original term.

The Lessee shall keep said premises and operate its business in a manner which shall be in compliance with all laws, regulations and rules, orders and ordinances of the City, County, State and Federal Government, and any department of either, and will not suffer or permit the premises to be used for any unlawful purpose, and the Lessee will protect the Lessor and save him and the said premises harmless from any and all fines and penalties and any and all damages or injuries that may result from or be due to any infractions of, with, the said laws, rules, regulations, orders and ordinances. Lessee will protect the Lessor, and save it harmless against any and all claims or demands for damages on account of injuries occurring on said premises, or arising from any accident, injury or damage whatsoever, however caused, to any person, or to the property of any person, occurring during said term, in and/or about the leased premises and approaches thereto, and from and against all costs, attorney fees, expenses and liability incurred in or about any such claim or any action or proceeding brought thereon.

Lessee agrees to obtain and keep in force a policy of public liability insurance in the amount of \$100,000.00 protecting Lessee from public liability and in addition thereto Lessee agrees to obtain and keep in force for

the benefit of Lessor, an Owner's Protective Policy in the sum of \$100,000.00. That annually, on the anniversary of the Lease, Lessee shall furnish to Lessor good and sufficient evidence of said policy being in force and effect and the premium for the ensuing year paid. In the event Lessee fails to pay said premiums to maintain said policy in force for the benefit of Lessor, the Sublessee, Dietz Meadows, Inc. may make payments of such premium or premiums and deduct the amount thereof from the payments due Lessee from the Dietz Meadows, Inc.

Should default be made by Lessee in the payment of the rental herein reserved, or any part thereof, when and as herein provided, or should Lessee make default in the performance, fulfilling, keeping or observing of any of the Lessee's other covenants, conditions, provisions or agreements herein contained, or should a petition in bankruptcy be filed by the Lessee, or should Lessee be adjudged bankrupt or insolvent by the Court, or should a trustee or receiver in bankruptcy or a receiver of any property of the Lessee be appointed in any suit or proceeding by or against the Lessee, or should the demised premises become vacant or abandoned, or should this Lease by operation of law pass to any person other than the Lessee, or should the leasehold be levied or under execution, then and in any of such events the Lessor may, if the Lessor so desires, without demand of any kind or notice to Lessee, or any other person, at once declare this Lease terminated, and Lessor may re-enter said premises without any formal notice or demand and hold and enjoy the same thenceforth, as if these presents had not been made, without prejudice, however, to any right of action or remedy of the Lessor with respect to any breach by Lessee of any of the covenants herein contained; provided, however, in none of the foregoing events may the Lessor declare this Lease terminated or re-enter said premises, if the rental payments due Lessor by Lessee and other covenants, conditions, provisions and agreements herein contained

for the benefit of Lessor have been paid and fulfilled by Dietz Meadows, Inc. In case Lessor does not elect to take advantage of the right to terminate this Lease conferred by the foregoing provisions of this paragraph the Lessor shall nevertheless have and the Lessor is hereby given the right to re-enter said premises, without legal process should any of the events hereinbefore specified take place or occur, and to remove the Lessee's signs, and all property and effects of Lessee or other occupants of said premises, and if Lessor so desires, to relet said premises, or any part thereof upon such terms, and to such person or persons and for such period or periods which may seem fit to Lessor, and in case of such reletting, Lessee shall be liable to Lessor for the difference between the rents and payments herein reserved and agreed upon for the residue of the entire stipulated term of the Lease and the net rent for such residue of the term realized by Lessor by such reletting, such net rent to be determined by deducting from the entire rent received by Lessor from any such reletting the expenses of recovering possession, reletting, altering and repairing said premises and collecting rent therefrom; and the Lessee hereby agrees to pay such deficiency each month as the same may accrue, the Lessee to pay the Lessor within five (5) days of the expiration of each month during the residue of this term, the difference between the rent and payments for said month as fixed by this Lease and the net amount realized by Lessor from the premises during the said month; provided, however, nothing herein contained shall permit Lessor to re-enter said premises or to relet the same if the rent due Lessor from Lessee and all of the covenants, conditions, provisions and agreements to be performed by Lessee for the benefit of Lessor have been paid or performed by the Dietz Meadows, Inc.

PROVIDED ALWAYS, and these presents are upon the condition, that if such rent or any part thereof, shall at any time be in arrears or un-

paid, or if the Lessee shall at any time fail or neglect to perform or observe any of the covenants, conditions or agreements herein contained on the part of said Lessee to be performed and observed or if the Lessee shall become bankrupt or insolvent, or shall compound with creditors, then in any such case it shall be lawful for the Lessor or any person or persons duly authorized by said Lessor in that behalf, without any formal notice or demand, to enter into and upon said demised premises, or any part thereof, in the name of the whole, and the said premises peaceably to hold and enjoy thenceforth, as if these presents had not been made, without prejudice to any right of action or remedy of said Lessor in respect to any antecedent breach by the said Lessee, of any of the covenants hereinbefore contained; provided, however, nothing herein contained shall permit Lessor to re-enter said premises or to relet the same if the rent due Lessor from Lessee and all of the covenants, conditions, provisions and agreements to be performed by Lessee for the benefit of Lessor have been paid or performed by the Dietz Meadows, Inc.

AND, PROVIDED, FURTHER, that Lessee shall not be in default except after thirty (30) days written notice from the Lessor given to Lessee and to Dietz Meadows, Inc., and then only if said default or defaults have not been cured or obviated within said thirty (30) day period.

Any other Lakes which are now being dug, or to be dug in the future, shall not be utilized by the Lessee, except that portion of said Lakes which lies within the boundaries of this Lease may be used for subleasing by the Lessee.

It is specifically agreed by and between the parties hereto that in the event the Lessor, or its successors, should desire to sell the leased premises, that the Lessee will be offered the opportunity, on thirty (30) days notice, to purchase said property on the same terms and conditions as it is offered to any other purchaser. In the event Lessee fails to pur-

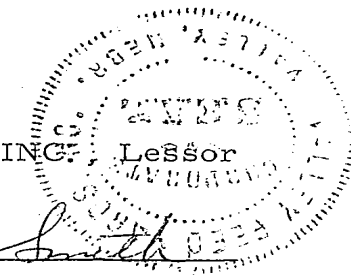
chase said property on said terms, and conditions, said leased premises shall be offered to Dietz Meadows, Inc. for purchase on the same terms and conditions on thirty (30) days notice.

An aerial photograph of the leased premises is attached hereto and made a part hereof.

IN WITNESS WHEREOF, the parties hereto have executed this Lease on the 29 day of April, 1967.

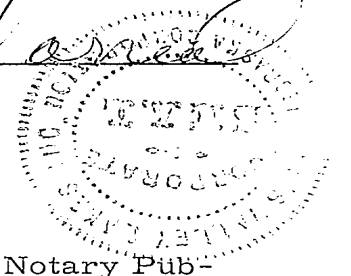
VALLEY FEED YARDS, INC., Lessor

By: Everett L. Smith



RAY'S VALLEY LAKES, INC., Lessee

By: Ray Villarreal

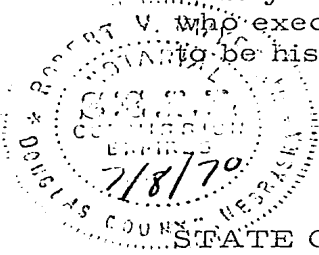


STATE OF NEBRASKA)
) SS:
COUNTY OF DOUGLAS)

On this 29 day of April, 1967, before me a Notary Public, personally appeared EVERETT L. SMITH, an officer of Valley Feed Yards, Inc., Lessor, to me personally known to be the individual who executed the foregoing Lease and who acknowledged the execution thereof to be his voluntary act and deed.

Robert V. Dwyer
Notary Public

My Comm. Exp: July 8, 1970

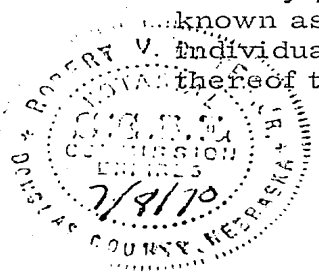


STATE OF NEBRASKA)
) SS:
COUNTY OF DOUGLAS)

On this 29 day of April, 1967, before me a Notary Public, personally appeared Ray Villarreal, an officer of the corporation known as Ray's Valley Lakes, Inc., personally known to me to be the same individual who executed the above Lease and who acknowledged the execution thereof to be his voluntary act and deed.

Robert V. Dwyer
Notary Public

My Comm. Exp: July 7, 1970



LEGAL DESCRIPTION

A tract of land lying in Section 34, and Section 35, T16N, R9E of the 6th P.M., Douglas County, Nebraska, more particularly described as follows: Beginning at a point 33.0 feet East of and 33.00 South of the Northwest Corner of said Section 35, (The North Line of the NW 1/4 of Section 35 is assumed bearing of East-West direction) thence South a distance of 1320.0 feet; thence East a distance of 1040.0 feet; thence S 15° 00' 00" E, for a distance of 600.00 feet; thence S 4° 15' 20" E, for a distance of 1280.0 feet; thence S 47° 44' 40" W, for a distance of 1385.04 feet; thence N 44° 44' 54" W, for a distance of 206.27 feet; thence S 47° 44' 40" W, for a distance of 1050.44 feet; thence S 42° 15' 20" E, for a distance of 600.0 feet; thence N 47° 44' 40" E, for a distance of 600 feet; thence N 42° 15' 20" W, for a distance of 600 feet; thence N 47° 44' 40" E, for a distance of 450.44 feet; thence N 44° 44' 54" W, for a distance of 1313.68 feet; thence N 49° 39' 36" W, for a distance of 1251.87 feet; thence N 36° 30' 42" W, for a distance of 658.87 feet; thence N 31° 36' 57" W, for a distance of 396.90 feet; thence N 44° 58' 50" E, for a distance of 600.00 feet; thence N 45° 01' 10" W, for a distance of 740.00 feet; thence N 0° 01' 10" W for a distance of 402.0 feet to a point on the South R.O.W. Line of State Highway No. 64; thence N 89° 58' 50" E, on said South R.O.W. Line for a distance of 2458.55 feet to point of beginning.

LEGAL DESCRIPTION

A tract of land lying in Sections 34 and 35, T 16 N, R 9 E of the 6th P. M., Douglas County, Nebraska, more particularly described as follows: Beginning at a point 33.0 feet East of and 33.0 feet South of the Northwest Corner of said Section 35, (The North Line of the NW 1/4 of Section 35 is assumed East-West in direction); thence South, 1320.0 feet; thence East, 1040.0 feet; thence S 15° 00' 00" E, 600.0 feet; thence S 4° 15' 20" E, 1280.0 feet; thence S 69° 29' 40" W, 245.0 feet; thence on a curve to the left (having a radius of 168.52 feet), an arc distance of 139.71 feet; thence S 21° 59' 40" W, 85.0 feet; thence on a curve to the right (having a radius of 293.82 feet), an arc distance of 225.64 feet; thence S 65° 59' 40" W, 200.0 feet; thence on a curve to the right (having a radius of 150.12 feet), an arc distance of 144.10 feet; thence S 30° 59' 40" W, 35.0 feet; thence S 21° 21' 25" E, 279.13 feet; thence N 55° 40' 13" W, 211.45 feet; thence S 47° 44' 40" W, 1064.97 feet; thence S 42° 15' 20" E, 600.0 feet; thence N 47° 44' 40" E, 600.0 feet; thence N 42° 15' 20" W, 600.0 feet; thence N 47° 44' 40" E, 464.97 feet; thence N 55° 40' 13" W, 14.53 feet; thence N 40° 01' 16" W, 88.17 feet; thence N 21° 34' 34" W, 72.51 feet; thence N 63° 25' 40" W, 83.64 feet; thence N 42° 31' 44" W, 76.69 feet; thence N 9° 12' 42" W, 36.62 feet; thence N 49° 09' 52" W, 308.05 feet; thence N 38° 20' 52" W, 573.24 feet; thence N 12° 25' 55" E, 55.70 feet; thence N 51° 26' 47" W, 292.40 feet; thence N 42° 01' 40" W, 170.22 feet; thence S 73° 24' 43" W, 169.33 feet; thence N 47° 24' 48" W, 436.78 feet; thence N 41° 14' 14" W, 626.66 feet; thence N 39° 25' 18" E, 166.55 feet; thence N 36° 33' 45" W, 809.40 feet; thence N 31° 37' 08" E, 432.71 feet; thence N 45° 01' 10" W, 565.00 feet; thence N 0° 01' 10" W, 402.0 feet to a point on the South R.O.W. line of State Highway No. 64; thence N 89° 58' 50" E, on said South R. O.W. line for a distance of 2458.55 feet to the point of beginning.

EXHIBIT "A"



S. Mice

RECEIVED

OCT 13 3 AM 10 50

THOMAS J. O'CONNOR
REGISTER OF DEEDS
DOUGLAS COUNTY, NEBR.

449 Mac.

*Rehman - Forest, 1100
322 - 100000 11/29*

34-16-9

35-16-9

1-15-9

2-15-9

1825