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## COALITION AGREEMENT

This Coalition Agreement ("Agreement") is made and entered into as of this 16th day of October, 2006 by and between **Union Bank & Trust Company**, a Nebraska corporation ("Escrow Agent"), **Union Bank & Trust Company**, a Nebraska corporation ("Lender"), **Northern Lights, L.L.C.**, a Nebraska limited liability company ("Northern Lights"), **3800 Normal, LLC**, a Nebraska limited liability company ("3800 Normal"), **Southview Holding Company, Inc.**, a Nebraska corporation ("SVHC"), **The Catholic Bishop of Lincoln**, a Nebraska non-profit corporation ("Catholic Bishop"), **Carlton W. Talcott**, a single person ("CWT"), **Milton L. Talcott** and **Carol A. Talcott**, husband and wife (collectively "M&CT"), **Marion Talcott, Inc.**, a Nebraska corporation ("M. Talcott, Inc."), **Developments Unlimited, LLP**, a Nebraska limited liability partnership ("Developments Unlimited"), **Fred H. Smith** and **Janet L. Smith**, husband and wife (collectively "Smith"), **The Bernita J. Daharsh Revocable Trust**, dated November 15, 2000, **Bernita J. Daharsh**, Trustee and **Clinton T. Daharsh**, Trustee (collectively "Daharsh Trustees"), **Donna Lea O'Connor**, Trustee of the **Donna Lea O'Connor Revocable Trust** ("O'Connor Trustee"), **Charles J. Marquardt** and **June N. Marquardt**, husband and wife ("C&JM"), **Milton L. Talcott**, Trustee and **Carol A. Talcott**, Trustee ("M&CT Trustees"), **Talcott Land & Cattle, Inc.**, a Nebraska corporation ("Talcott Land"), and **Milton L. Talcott**, Trustee ("M. Talcott Trustee"). The parties may hereinafter jointly be referred to as the "Parties" or individually as a "Party." C&JM is sometimes referred to herein as "Marquardt Group 1." O'Connor Trustee and C&JM are sometimes referred to herein as "Marquardt Group 2." Northern Lights, 3800 Normal, SVHC, Catholic Bishop, CWT, M&CT, M. Talcott Inc., Developments Unlimited, Smith, Daharsh Trustees, Marquardt Group 1, Marquardt Group 2, M&CT Trustees, Talcott Land and M. Talcott Trustee may hereinafter individually be referred to as "Landowner" and jointly be referred to as "Landowners."

### RECITALS

A. Landowners and the City of Lincoln ("City") have entered into a Development Agreement, dated as of \_\_\_\_\_, 2006 ("Development Agreement"), which is incorporated herein by this reference.

B. Said Development Agreement is filed of record as Instrument Number \_\_\_\_\_ in the Lancaster County, Register of Deeds Office against the Property as shown on the site map and legally described on Exhibit 1.

C. The exhibits of the Development Agreement are also attached hereto and incorporated herein by this reference.

D. The Landowners hereby desire to describe how the Landowners will implement the Development Agreement, as well as define and describe other matters of common interest between the Landowners.

E. The Landowners acknowledge that the City Sewer Project, Rokeby Road Project and Landowner Sewer Project will be designed, constructed and implemented pursuant to the Development Agreement, unless the Landowners wish to construct the Rokeby Road Project and/or Landowner Sewer Project (or specific segments of the Rokeby Road Project or Landowner Sewer Project) on or before the timeframe(s) shown on the Timeframe, Exhibit 10, which is attached hereto and incorporated herein by this reference ("Timeframe").

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the Parties do agree as follows:

**1. Development Agreement.** Each Landowner will timely perform its applicable covenants and promises as contained in the Development Agreement.

**A. Capitalized Terms.** Unless defined in this Agreement, capitalized terms shall have the definitions as defined in the Development Agreement and shall apply for words and phrases as used in this Agreement.

**B. Controlling Agreements.** As of this same date, the Landowners and Escrow Agent have also entered into the Development Agreement. The Parties agree that in the event the subject matter terms of the Development Agreement and this Agreement directly conflict, then the Development Agreement shall prevail; provided that, in the event both the Development Agreement and this Agreement contains the same subject matter, but this Agreement contains additional terms or embellishment regarding that subject matter, then the additional terms or embellishment in this Agreement shall be applicable between the Parties.

**2. Landowner as Lender Under the Development Agreement.**

**A. Landowner(s)' Loan Advancements to the City.** The Development Agreement defines certain Landowners as the Segment C and D Lender, Rokeby Road Urban Grading Lender and Landowner Sewer Project Lender to advance the City the necessary funds to construct Segment C and Segment D Rokeby Road Urban Grading and Landowners Sewer Project as described in the Development Agreement. Northern Lights, 3800 Normal and SVHC were inadvertently excluded as Rokeby Road Urban Grading Lender in the Development Agreement. The Parties agree that Northern Lights, 3800 Normal and SVHC, along with Catholic Bishop, M&CT, M. Talcott, Inc., and Developments Unlimited, are hereafter defined as the Rokeby Road Urban Grading Lender. Each Rokeby Road Urban Grading Lender agrees to advance the City the applicable Landowners' pro rata share of the necessary funds as described in Exhibit 7b, which is attached hereto and incorporated herein by this reference, to design and construct the Rokeby Road Urban Grading. Each applicable Landowners agrees to advance the City the applicable Landowners' pro rata share of the necessary funds as described in the Development Agreement to design and construct the Segment C and Segment D and Landowners Sewer Project as shown on Exhibit 7b.

**B. City's Reimbursement to Landowner(s).** Under the terms of the Development Agreement, the City has agreed to reimburse the Escrow Agent, on behalf of such lending Landowners by:

- (i) paying the applicable Impact Fees collected from the entire Property under the applicable Impact Fee Facility Improvements category (e.g., Wastewater, Arterial Street), on a quarterly basis from impact fees actually received; provided that no Wastewater impact fees collected prior to August 31, 2012 shall be paid under the terms of the Development Agreement (hereinafter referred to as the "Quarterly Impact Fee Payment"); and
- (ii) the City will use its best efforts to reimburse the Escrow Agent on behalf of Landowners for principal owed from available City funds within seven (7) years from the date each Impact Fee Facility Improvement is substantially constructed (hereinafter referred to as the "Balloon Payment").

When the Escrow Agent receives a Quarterly Impact Fee Payment from the City, the Escrow Agent shall reimburse said applicable lending Landowner(s) based upon the chronological order that the individual design or construction loan was funded to the City so that any received Quarterly Impact Fee Payment is first applied to the longest

outstanding loan until the outstanding principal is repaid in full without interest to the applicable lending Landowner(s) before the proceeds are applied to the next longest outstanding loans. When the Escrow Agent receives a Balloon Payment from the City for a particular Impact Fee Facility Improvement, the Escrow Agent shall reimburse the applicable lending Landowner(s) who funded said Impact Fee Facility Improvement regardless of the chronological order that the individual design or construction loan was made to the City. Each Landowner understands and agrees that the Escrow Agent will use reasonable efforts to allocate any repayments from the City, and the Escrow Agent may conclusively rely on the advice and allocation guidance provided by the Landowners' Attorney and Engineer.

**3. Property Master Plan.** Pursuant to the Development Agreement, the applicable Landowners, at their expense, have agreed to fund and complete a master plan of the Property ("Property Master Plan"). The Landowners agree to fund with the Escrow Agent the cost of the Property Master Plan based upon the applicable Landowners' pro rata share as shown as the "% of coalition sewer project" on Chart #3 in Exhibit 7a. The Landowners agree to use the services of Civil Design Group ("Engineer") and Seacrest & Kalkowski, PC, LLO ("Attorney") to work with the Landowners collectively and individually, and with the City to develop the Property Master Plan, including the Watershed Master Plan (described below) based on the following general elements:

(i) Identify potential stormwater detention, drainage protection and management areas, and roadway and potential utility stream crossings based upon the Watershed Master Plan and the delineated wetlands, waters of the United States, waters of the State, defined "bed and bank" waterways, and minimum stream corridors for the Property;

(ii) Preliminary design of Rokeby Road Project and the Landowner Sewer Project (including sanitary sewer and water) to be sure there is proper gravity drainage of the applicable portions of the Property and to identify the necessary and desirable right-of-way and easements pursuant to Paragraph 5 below;

(iii) Prepare preliminary mass grading and drainage plan to determine proper flow of the Rokeby Road Project and the Landowner Sewer Project and to determine if the soils of the four quadrants of the Property will generally balance

without needing to carry fill or cut material over the City and County's arterial road network or over key sensitive wetland areas or stream corridors;

(iv) Identify the related arterial turn lanes and arterial access points to the Property;

(v) Prepare preliminary internal street, lot and outlot layout plan for the Rokeby Road Project and Landowner Sewer Project areas and prepare an illustrative ghost streets, lot and outlot layout plan for the balance of the Property; and

(vi) Prepare a trail network (including arterial street crossings) and park and recreation plan.

The Property Master Plan shall also include a topographical survey necessary to preliminarily design the Rokeby Road Project and Landowner Sewer Project and the other key elements sensitive to elevation determinations of the Property. The balance of the Property will be master planned using the City's existing two (2) foot contour lines topographical survey information. The Property Master Plan will be designed to meet and balance the following: (i) individual Landowner's interests; (ii) the Landowners' collective and common interests; (iii) the City of Lincoln's Zoning Ordinance, Subdivision Ordinance and Design Standards (collectively "Design Standards"), unless a specific waiver to said Design Standards is approved by the City of Lincoln; and (iv) when conflicts arise, then based upon sound planning, economic and engineering principals regarding the Property's potential street layout, grading, drainage, stormwater detention, utilities, lots and outlots assuming the Property were to be developed by single hypothetical developer (collectively "Master Plan Assumptions"). Landowners, in cooperation with the City, agree to use their best efforts to work together to develop and complete the Property Master Plan within one hundred eighty (180) days of the date of this Agreement. Upon completion of a draft Property Master Plan generally acceptable to the Landowners, the Engineer and Attorney will submit said Property Master Plan to the City for informal review, comments and if possible, conditional approval. The City's review, comments and/or conditional approval will be subject to the condition that formal City approval of annexation, rezoning and preliminary platting for the Property and each individual Landowner's tract is not being sought at this time as part of the Master Plan.

The Engineer and Attorney shall bill on a monthly basis the Escrow Agent, on behalf of the Landowners for the Landowner's pro rata share based upon the "% of acres in eastern or western area" on Chart #3 in Exhibit 7a and provide copies of said monthly billings to each applicable Landowner. Upon receipt of the Engineer and Attorney's monthly billings, each

Landowner agrees to pay its pro rata share to the Escrow Agent within thirty (30) days of receipt of the Engineer and Attorney's monthly billings. In turn, the Escrow Agent will pay the Engineer and Attorney within forty (45) days of receipt of Engineer and Attorney's monthly billings to the extent escrowed funds have cleared and are available.

**4. Watershed Master Plan.** Pursuant to the Development Agreement, the applicable Landowners, at their expense, have agreed to fund and complete a Watershed Master Plan that includes those portions of the Property located within the Wagon Train Watershed ("Watershed Master Plan"). The applicable Landowners agree to fund with the Escrow Agent the cost of the Watershed Master Plan based upon the applicable Landowners' pro rata share as shown on Chart #3 in Exhibit 7a. The Watershed Master Plan shall consider the development of potential guidelines/BMPS/ordinance changes to assure that proper urban development of the Property will not cause major stream degradation or adverse impacts to Wagon Train Lake. The Watershed Master Plan will also include delineations of regulated wetlands, waters of the United States, waters of the State, defined "bed and bank" waterways, and minimum stream corridors for the Property. In cooperation with the Lower Platte South Natural Resources District, the Landowners and City agree to jointly develop a scope for the Watershed Master Plan. The Escrow Agent on behalf of the Landowners, based upon the recommendation of the Engineer and Attorney, agrees to hire a consultant, acceptable to the City of Lincoln to complete the Watershed Master Plan ("Watershed Consultant"). The Escrow Agent on behalf of the Landowners shall timely pay (to the extent escrowed funds have cleared and are available) the Watershed Consultant the cost to prepare the Watershed Master Plan. Landowners and City will use their best efforts to work with the Watershed Consultant based upon the Master Plan Assumptions to complete the Watershed Master Plan within one hundred eighty (180) days of the date of this Agreement. No portion of the Property may be preliminarily platted until the Watershed Master Plan is completed and accepted by the City of Lincoln. The Watershed Consultant may bill the Escrow Agent on a monthly basis for each Landowner's pro rata share based upon the "% of acres in the watershed" on Chart #3 in Exhibit 7a and provide copies of said monthly billings to each applicable Landowner. Upon receipt of the Watershed Consultant's monthly billings, each Landowner agrees to pay its pro rata share to the Escrow Agent within thirty (30) days of receipt of the Watershed Consultant's monthly billings. In turn, the Escrow Agent will pay the Watershed Consultant within forty (45) days of receipt of the Watershed Consultant's monthly billings to the extent escrowed funds have cleared and are available.

**5. Right-of-ways and Easements.**

**A. ROW and Easement Based Upon Master Plan.** After review and input by the City of the Property Master Plan, and after appropriate revisions, if any, the Engineer and Attorney shall prepare on the City's written recordable form the necessary right-of-ways, temporary easements and permanent nonexclusive easements necessary for a Responsible Landowner, Qualified Landowner or City to design and construct and the City to operate the Rokeby Road Project and Landowner Sewer Project based upon the Master Plan. When requested in writing by the Engineer and Attorney, each applicable Landowner shall within thirty (30) days execute, convey and deliver to the Engineer, at no cost to the City, Escrow Agent and other Landowners, all necessary and desirable written right-of-ways, temporary easements and permanent nonexclusive easements in a recordable form for planning, design, testing, survey, installation, construction, maintenance, repair, replacement, improvement, ingress and egress for the Landowner Sewer Project and the Rokeby Road Project or applicable segment(s) determined necessary and desirable by the Engineer and Attorney for the Responsible Landowner's, Qualified Landowner's and City's design and construction and City's operation of the Rokeby Road Project and Landowner Sewer Project within such Landowner's Property. Until the applicable Rokeby Road Project and Landowner Sewer Project or segment(s) commence construction, the Landowners are entitled to farm the right-of-ways and easement areas. The Landowners waive and hold the City, Escrow Agent, Responsible Landowner(s) and Qualified Landowner(s) harmless for damages to crops and/or the Property that is subject to said right-of-ways and easement areas when the City, Responsible Landowner(s) or Qualified Landowner(s) constructs the improvements in question.

**B. Modifications.** After granting or dedicating the right-of-ways and easement and prior to construction of said applicable Rokeby Road Project and Landowner Sewer Project or applicable segment(s), a Landowner may propose additional changes or modification to the Rokeby Road Project and Landowner Sewer Project right-of-ways and easement areas so long as: (i) the City approves said change or modification; (ii) the downstream and upstream Landowners and their applicable Property are not materially and adversely affected by such change or modification; (iii) said change or modification meets the intentions and declarations of this Paragraph; and

(iv) the Engineer and Attorney do not see any resulting conflicts or problems. If these four conditions are met, then each applicable Landowner shall execute, convey and deliver, at no cost to the City and other Landowners, all necessary and desirable written right-of-ways, temporary easements, permanent nonexclusive easements, right-of-way vacations and/or easements releases in a recordable form determined necessary and desirable by the Engineer and Attorney for the Responsible Landowner's, Qualified Landowner's, or City's design and construction and City's operation of the Rokeby Road Project and Landowner Sewer Project within such Landowner's Property.

**C. ROW and Easement Based Upon Final Design.** When requested in writing by the City, a Responsible Landowner or Qualified Landowner, or the Escrow Agent on behalf of the City, each Landowner will grant or dedicate to the City within thirty (30) days of receipt of such notice to execute, convey and deliver to the City on the City's written form the necessary and desirable right-of-ways, temporary easements and permanent easements for the planning, design, testing, survey, installation, construction, maintenance, repair, replacement, improvement, ingress and egress for the Landowner Sewer Project and the Rokeby Road Project or applicable segment(s), without additional costs, as specifically described in the City's final project design or the City's executive order application design for the Landowner Sewer Project and the Rokeby Road Project and generally meeting the express or implied intentions of the Master Plan.

**D. Additional ROW And Easements.** It is recognized by all Parties hereto that subsequent to the execution of this Agreement, various items may be discovered which will require the granting or dedicating of additional right-of-ways, easements, permits, and licenses for the proper and convenient functioning of the various improvements as described in the Development Agreement and this Agreement. It is hereby agreed that such right-of-ways, licenses, permits, and easements as may be necessary for the reasonable and proper operation of Landowner Sewer Project and the Rokeby Road Project as contemplated by the Development Agreement and this Agreement shall be granted or dedicated by each Party to the other or to the City without additional consideration being required, provided that such right-of-way, easements, rights, or licenses shall: (i) be required only for the most direct route or smallest space reasonably feasible and in conformity with applicable City codes and regulations; (ii) to provide for and permit reasonable maintenance and repairs in such a manner as to not interfere with the use of areas adjacent to such easement, permitted, and licensed areas; and (iii) shall be to the extent and duration necessary to assure the benefited property to



be in compliance with applicable codes and laws, have access and have its Property be sewerable, and to provide a reasonable and beneficial use to the benefited property for the urban purposes.

**E. Other ROW And Easement Matters.** The Landowner Sewer Project and Rokeby Road Project right-of-way and easements described in Paragraph 5 will meet the City's minimum design standards, including the City's minimum design standard right-of-way of 120'/130' wide for Rokeby Road, South 70<sup>th</sup> Street and South 84<sup>th</sup> Street as arterial streets. The Landowner's covenants to grant and dedicate the right-of-ways and easements in Paragraph 5 shall run with each Landowner's Property and shall be binding upon all persons having or acquiring any right, title or interest therein or any portion thereof, and shall inure to the benefit of and bind each Landowner and the City and their respective successors and assigns in interest. The successful construction and operation of Landowner Sewer Project and the Rokeby Road Project and their related components are dependent upon the continued cooperation and good faith of the Landowners. Such cooperation shall be required of all Parties interested in any phase or element of the Landowner Sewer Project and the Rokeby Road Project. Every right-of-ways and easements herein granted or dedicated shall be construed in recognition of this interdependence and need for continued mutual cooperation. Any right-of-way and easement hereinafter granted or dedicated by a Landowner or interests in the Property for the use or enjoyment of the City or the public or user of any other interest in the Property shall be liberally construed with the intention of providing such rights and privileges as may be reasonably necessary or convenient to adequately and properly sewer and provide proper circulation and access without encroaching or interfering needlessly with the subservient Property. It is recognized and agreed by the Landowners that their mutual cooperation in granting or dedicating to the City the necessary and desired right-of-ways and easements to enter and make use of portions of their respective Property both temporarily during construction and permanently after construction, is required in order for any and all of the Landowner Sewer Project and the Rokeby Road Project to be functional and useful. In addition to the above-described right-of-ways and easements, other rights between the Parties may be provided in one or more operating agreements or other documents and instruments after approval of the Master Plan.

**6. Design and Construction of Rokeby Road Project and Landowner Sewer Project.**

**A. Design and Construction By Responsible Landowner Based Upon Timeframe.** Each of the identified “Responsible Landowner Responsible to Construct the Segment” (individually “Responsible Landowner” and collectively “Responsible Landowners”) as shown on the Timeframe (Exhibit 10) will cause the final design and construction of the applicable segment(s) of Segment C, Segment D, Rokeby Road Urban Grading, Rokeby Road Sewer Grading and the Landowner Sewer Project to be completed between the applicable segment(s) “Earliest Required Funding Date” and “Latest Required Funding Date” as shown on the Timeframe (Exhibit 10), unless the applicable segment(s) of the Rokeby Road Project and Landowner Sewer Project is accelerated as described in Paragraph 6b below by a Qualified Landowner (as defined below) or by a Responsible Party at the request of a Qualified Landowner.

The final design will be subject to the City’s prior approval of the design engineer and the design engineer’s fees. The applicable segment(s) will be built by the Responsible Landowner(s) with sewer capacity for the entire upstream Property based upon the final design approved by the City. Unless the City and the Responsible Landowner(s) agree otherwise, the construction of the applicable segment(s) will start at the terminus of the City Sewer Project and be constructed upstream. The applicable segment(s) will be constructed as either: (i) a City project; or (ii) a private sector project. If the applicable segment(s) is to be constructed as a private sector project, then the Responsible Landowner will utilize the City’s executive order process, and will competitively bid, contract and build said segment(s) as shown on the Timeframe.

Upon substantial completion of the construction work of the applicable segment(s), the Responsible Landowner will provide written notice to the Escrow Agent, and other applicable Landowners that the construction work is completed and provide an accounting of the final amount due, including invoice(s) and any required retainages, the applicable Landowner’s percentage and amount owned by or to be advanced by each applicable Landowner based upon the applicable Charts in Exhibit 7a and Exhibit 7b and a representation by the Responsible Landowner that said amount has been paid or is due and owing by the Responsible Landowner to the construction contractor (collectively “Notice of Accounting”). If the amount of funds in escrow is not sufficient to pay or advance said Responsible Landowner for said work as described in the Notice of Accounting, then each applicable Landowner shall pay or advance the Escrow Agent its pro rata share of the unfunded amount based upon its pro rata share

set forth on Exhibit 7a and Exhibit 7b within thirty (30) days receipt of the Notice of Accounting from the Responsible Landowner. If the amount of funds in escrow exceeds the amount due the Responsible Landowner for said work, then the Escrow Agent shall refund the excess funds to the applicable Landowners. The Escrow Agent will pay said escrowed funds to the extent escrowed funds have cleared and are available, excluding any required retainages, for the construction work to the Responsible Landowner within forty-five (45) days receipt of the Notice of Accounting from the Responsible Landowner. The Escrow Agent shall receive the retainage from the City and will pay the retainage to the Responsible Party after expiration of the warranty period to the extent escrowed funds have cleared and are available.

**B. Acceleration of the Design and Construction Earlier Than The Timeline.** A “Qualified Landowner” shall mean a Landowner that owns a tract that: (i) is located up-stream from a segment(s) of Segment C, Segment D or any segment(s) of the Landowner Sewer Project that has yet to be completed; and (ii) has been annexed by the City. In the event a Qualified Landowner(s) desires to accelerate the design and construction of such a segment(s) prior to the segment’s “Earliest Required Funding Date” as stated in the Timeframe (Exhibit 10), then the Qualified Landowner(s) shall notify in writing the Responsible Landowner(s) as shown on the Timeframe (and other upstream applicable Landowners) and request the Responsible Landowner(s) to complete the construction of the applicable segment(s) as soon as reasonably possible, but in no event later than nine (9) months after receipt of the written notice from the Qualified Landowner(s) (“Accelerated Completion Date”). If the Responsible Landowner(s) elects to construct the applicable segment on or before the Accelerated Completion Date, then the Responsible Landowner(s) shall: (i) notify in writing the Qualified Landowner(s) (and other upstream applicable Landowners) within thirty (30) days of receipt of the Qualified Landowner’s(s) notice of the Responsible Landowner’s(s) election to complete the construction of the applicable segment(s) on or before the Accelerated Completion Date; (ii) cause the completion of the applicable segment by the Accelerated Completion Date; and (iii) the Responsible Landowner(s) shall advance and loan (pursuant to Paragraph 7 below) the necessary funds on behalf of the applicable Landowner(s) who are responsible to fund the construction of the applicable segment(s) on a pro rata basis as shown on the Charts in Exhibit 7a and Exhibit 7b to cause the completion of the applicable segment(s) by the Accelerated Completion Date.

If the Responsible Landowner(s) elects not to construct the applicable segment by the Accelerated Completion Date, then: (i) the Responsible Landowner(s) shall notify in writing the Qualified Landowner(s) (and other upstream applicable Landowners) within thirty (30) days of receipt of the Qualified Landowner's(s) notice of said election not to complete the construction of the applicable segment(s) by the Accelerated Completion Date; (ii) the Responsible Landowner(s) shall notify in writing the Qualified Landowner(s) whether he/she has or will complete the final sewer design for said segment(s) acceptable to the City and provide the Qualified Landowner(s) five (5) completed sets of the final design of the segment(s) and sends to the Qualified Landowner(s) within the next sixty (60) days of receipt of the written notice from the Responsible Landowner's(s) (and said design costs may be deemed an advance and loan pursuant to Paragraph 7 below); and (iii) the Qualified Landowner(s) shall advance and loan (pursuant to Paragraph 7 below) the necessary funds on behalf of the applicable Landowner(s) who are responsible to fund the construction of the applicable segment(s) on a pro rata basis as shown on the Charts in Exhibit 7a and Exhibit 7b to cause the completion of the applicable segment(s) by the Accelerated Completion Date. In the event, the Responsible Landowner(s) does not send five (5) completed sets of the final sewer design approved by the City to the Qualified Landowner(s) within sixty (60) days of the receipt of the written notice from the Responsible Landowner(s), then the Responsible Landowners may not qualify any design costs as a loan pursuant to Paragraph 7 below and the Qualified Landowner(s) shall have the right to advance and loan (pursuant to Paragraph 7 below) the necessary funds on behalf of the applicable Landowner(s) who are responsible to fund the design of the applicable segment(s) on a pro rata basis as shown on the Charts in Exhibit 7a and Exhibit 7b.

The final design will be subject to the City's prior approval of the design engineer and the design engineer's fees. The applicable segment(s) will be built by the Responsible Landowner(s)/Qualified Landowner(s) (as the case may be) with sewer capacity for the entire upstream Property based upon the final design approved by the City. Unless the City and the Responsible Landowner(s)/Qualified Landowner(s) agree otherwise, the construction of the applicable segment(s) will start at the terminus of the City Sewer Project and be constructed upstream. The applicable segment(s) will be constructed as either: (i) a City project; or (ii) a private sector project. If the applicable segment(s) is to be constructed as a private sector project, then the Responsible Landowner(s)/Qualified Landowner(s) will utilize the City's executive order process, and

will competitively bid, contract and build said segment(s) on or before the Accelerated Completion Date, unless the Qualified Landowner(s) and Responsible Landowner(s) agree otherwise in writing.

Upon substantial completion of the construction work of the applicable segment(s), the Responsible Landowner(s)/Qualified Landowner(s) will provide written notice to the Escrow Agent, and other applicable Landowners that the construction work is completed and provide an accounting of the final amount due, including invoice(s) and any required retainages, the applicable Landowner's percentage and amount owned by or to be advanced by each applicable Landowner based upon the applicable Charts in Exhibit 7a and Exhibit 7b and a representation by the Responsible Landowner(s)/Qualified Landowner(s) that said amount has been paid or is due and owing by the Responsible Landowner(s)/Qualified Landowner(s) to the construction contractor (collectively "Notice of Accounting"). Within thirty days of receipt of said Notice of Accounting, the applicable Landowner may elect in writing to the Escrow Agent and Responsible Landowner(s)/Qualified Landowner(s) to: (i) have the Escrow Agent pay or advance said pro rata share set forth on Exhibit 7a and Exhibit 7b of the amount owned for said work to the Responsible Landowner(s)/Qualified Landowner(s) to the extent escrowed funds have cleared and are available; or (ii) have the Responsible Landowner(s)/Qualified Landowner(s) as a "Lending Party" loan or advance said pro rata share of funds to said applicable Landowner as "Borrower" pursuant to Paragraph 7 below.

If the applicable Landowner elects in writing within said thirty (30) day period of the Notice of Accounting to have the Escrow Agent pay or advance said pro rata share of the amount owned for said work the following will apply:

**i. Insufficient Funds.** If the amount of funds in escrow is not sufficient to pay or advance to said Responsible Landowner(s)/Qualified Landowner(s) for said work, then said applicable Landowner shall pay or advance to the Escrow Agent its pro rata share of the unfunded amount based upon its pro rata share set forth on Exhibit 7a and Exhibit 7b within thirty (30) days receipt of the Notice of Accounting from the Responsible Landowner(s)/Qualified Landowner(s).

**ii. Excess Funds.** If the amount of funds in escrow exceeds the amount due the Responsible Landowner(s)/Qualified Landowner(s) for said

work, then the Escrow Agent shall refund the excess funds to the applicable Landowner as soon as reasonably possible.

**iii. Escrow Agent's Payment.** The Escrow Agent will pay said escrowed funds to the extent escrowed funds have cleared and are available, excluding any required retainages, for the construction work to the Responsible Landowner(s)/Qualified Landowner(s) within forty-five (45) days receipt of the Notice of Accounting from the Responsible Landowner(s)/Qualified Landowner(s). The Escrow Agent shall receive the retainage from the City and will pay the retainage to the Responsible Landowner(s)/Qualified Landowner(s) after expiration of the warranty period to the extent escrowed funds have cleared and are available.

If the applicable Landowner elects in writing within said thirty (30) day period of the Notice of Accounting to borrow said final amount due for the construction work from the Responsible Landowner(s)/Qualified Landowner(s), then the loan terms described in Paragraph 7 shall automatically apply without further notice or demand. If the applicable Landowner fails to make an election in writing within said thirty (30) day period of the Notice of Accounting, then such failure shall be deemed to be an election of the applicable Landowner to borrow said final amount due for the construction work from the Responsible Landowner(s)/Qualified Landowner(s) and the loan terms described in Paragraph 7 shall automatically apply without further notice or demand.

**7. Loan Terms.** If a Responsible Landowner(s)/Qualified Landowner(s) loans or advances funds to an applicable Landowner(s) who is responsible to fund the applicable segment(s) on a pro rata basis as shown on the Charts in Exhibit 7a and Exhibit 7b pursuant to Paragraph 6 above, then said Responsible Landowner(s)/Qualified Landowner(s) is hereinafter referred to as a "Lending Party." Any applicable Landowner who is advanced funds or borrows funds pursuant to Paragraph 6 above is hereinafter referred to individually as a "Borrowing Party." In the event that two of the Landowners borrow funds from each other hereunder, then the two Landowners agree to offset and net such advanced/borrowed amounts so that only one Landowner is the Borrowing Party and the other Party is a Lending Party. The net advanced/borrowed amount owed by a Borrowing Party to a Lending Party is hereinafter referred to as the "Loan Amount." "Homestead Lot" shall mean a lot that contains the original residence of a Landowner located upon the Property. "New Lot(s)" shall mean a final platted lot(s) of the Property, but excluding the

**A. Notice of Accounting.** The Escrow Agent, and the Lending Party shall have the right to file the Notice of Accounting of record to evidence the indebtedness and a notice of commencement of construction of the improvement with the Lancaster County Register of Deeds as evidence of the second lien on the Borrowing Party's tract as described in Exhibit 1.

**B. Loan Terms; Second Lien.** The Lending Party agrees to finance the applicable Loan Amount to the Borrowing Party or, at Lending Party's expense, obtain third party financing for the applicable Loan Amount for the Borrowing Party. Origination fees, loan fees, recording fees, and/or loan expenses of the Lending Party, if any, shall be paid by Lending Party, at Lending Party's expense. The Borrowing Party agrees to repay the Lending Party pursuant to the terms of this Agreement.

i. There shall be no interest payment due and owing on the outstanding Loan Amount. No periodic interest or principal payments are required. The repayment promise may be prepaid at any time, in whole or in part, with cash or an offsetting Loan Amount that the Lending Party owes the Borrowing Party.

ii. The repayment promise, including all principal attributable to the Loan Amount described herein, shall be due and fully payable by the Borrowing Party to the Lending Party ("Balloon Payment") (without further notice or demand) on the earlier of the following two dates (hereinafter called the "Maturity Date"): (i) the date of a tap or connection ("Tap Date") to the applicable segment(s) by a sewer line, service line, street, or driveway that provides sanitary sewer service or circulation access to a dwelling or other land use located upon a New Lot of the Borrowing Party; or (ii) the "Earliest Required Funding Date" of the applicable segment which generated the Loan Amount as shown on the applicable Charts in Exhibit 7a and Exhibit 7b. The Borrowing Party agrees to be liable for the Loan Amount and repay the Loan Amount, without interest to the Lending Party on or before the Maturity Date, unless the Borrowing Party and Lending Party agree to other terms in writing. In the event the Borrowing Party fails to pay the Balloon Payment to the Lending Party on or before the Maturity Date, the Balloon Payment shall, without further notice or demand, bear delinquent interest after the Maturity Date equal to an annual interest rate of ten percent

(10%) per annum.

iii. Each Landowner grants to the other Landowners a second mortgage lien, subject to the first lien of the Union Bank Loan, upon each Landowner's tract as described in Exhibit 1 to secure payment, loan or advancement of the obligations hereunder in the amount of the Landowner's outstanding pro-rata share of costs as shown on Exhibit 7c, which is attached hereto and incorporated herein by this reference. As monies are paid, loan or advance by a Landowner under the terms of the Development Agreement and this Agreement, then the amount of the second mortgage lien shall be reduced by said amount paid, loan or advance, unless said monies are funded by a Lending Party under the terms of this Agreement. Upon a Landowner's written request to Escrow Agent, the Escrow Agent Bank has agreed to use its best efforts to verify and acknowledge said lien amount (as may be reduced from time to time) in a written recordable form. When a Landowner has completed all its obligations to fund, loan, pay, advance, repay, or guarantee payment hereunder, then the Escrow Agent, on behalf of the Landowners, agrees to release said lien in a written recordable form.

**8. Protected Waterway; Extra Expense.** Exhibit 7a and Exhibit 7b cost estimates are based upon the Engineer's assumption that Segment C and Segment D can be successfully design and constructed within the generally lower elevations as generally shown on Exhibit 5 and said proposed route will not require material grading or regrading of waterway or related buffer areas defined as "waters of the United States", "waters of the State of Nebraska", or a defined City of Lincoln "bed and bank" waterway or a City of Lincoln "Minimum Flood Plain Corridor" (individually and collectively "Protected Waterway"). The Property Owners acknowledge there could be extra costs associated with Segment C and Segment D if the route involves construction within the Protected Waterway or the route needs to be relocated outside the Protected Waterway. These extra costs may increase the costs of Segment C and Segment D and the Rokeby Road Sewer Grading, as well as causing an impacted Property Owner(s) to lose quality and quantity of developable land, layout inefficiencies, extra grading costs and other related expenses (individually and collectively "Extra Cost"). Prior to completing the Property Master Plan and Watershed Master Plan, this potential Extra Cost, if any, may not be determined or measured. The Landowners agree that if there is minimization and mitigation costs associated with the route within a Protected Waterway or Segment C or Segment D route needs to be relocated outside a Protected Waterway, then said Extra Cost will be determined in a fair and



equitable manner by the Attorney and Engineer and said Extra Cost shall be included as an additional cost of the design and construction of Segment C and Segment D and will be funded (including funding any necessary escrows) by the applicable Landowners based upon the applicable Landowner's pro rata share set forth on Chart # 1 in Exhibit 7a for Rokeby Road Sewer Grading.

**9. Rokeby Road Sewer Grading on Developments Unlimited's Tract.** The only untappable sewer line (18" or larger in size) portion of Segment C and D and the Landowner Sewer Project are located upon the Developments Unlimited's Tract. To improved efficiency and costs, Developments Unlimited will use its best efforts to cause the design and grading of that portion of the Rokeby Road Sewer Grading located upon the Developments Unlimited's tract ("Private Grading Portion") to be done as part of the mass grading design and mass grading of the Developments Unlimited's tract, including incorporating the excess dirt from the Private Grading Portion into the Developments Unlimited's tract. Developments Unlimited will use its best efforts to complete the Private Grading Portion to be completed on or before three (3) months prior to the Rokeby Road Project Completion Date. In the event Developments Unlimited is able to timely design and grade the Private Grading Portion, then the applicable Landowners responsible for the cost of the Rokeby Road Sewer Grading agree to reimburse Developments Unlimited the sum equal to the amount of cubic yards that are shown to be removed on Exhibit 5 times the unit costs that Developments Unlimited's grading contractor charges Developments Unlimited for the negotiated price for mass grading ("Costs of Private Grading Portion"). Upon completion of the Private Grading Portion, the Costs of Private Grading Portion shall be paid by the applicable Landowners based upon the applicable Landowner's pro rata share of the Rokeby Road Sewer Grading as shown on Chart # 1 in Exhibit 7a. Each Landowner agrees to pay its pro rata share of the Costs of Private Grading Portion within thirty (30) days of receipt of written notice from Developments Unlimited of the Costs of Private Grading Portion. The balance of the Rokeby Road Sewer Grading shall be implemented by the applicable Landowner pursuant to Paragraph 2 d. of the Development Agreement. In the event Developments Unlimited is unable to timely design and grade the Private Grading Portion, then the Private Grading Portion shall be implemented by the applicable Landowner pursuant to Paragraph 2 d. of the Development Agreement.

**10. Definitions.** "Pro rata share" or "pro-rata percentage" shall mean a Party's percentage share as shown on the applicable column in Exhibit 7a and Exhibit 7b and said

percentage shall be applied to the actual cost or expense for said item or improvement and said resulting amount shall be the Party's liability hereunder. Said percentages were calculated based upon the estimated costs or expenses as shown in a specific column in Exhibit 7a and Exhibit 7b divided by the "Total" and said result expressed as the pro rata percentage of one hundred (100) percent. The phrase "to the extent escrowed funds have cleared and are available" shall mean cash, equivalent funds or good funds (as defined by law) or funds that are obtained by the Escrow Agent from guaranty payment(s) that the Escrow Agent holds on behalf of a Landowner.

## **11. Escrows**

**A. City Sewer Project.** The Escrow Agent hereby acknowledges receipt of the Union Bank Loan (described under Paragraph 11F. below), bonds, escrows, letter of credits, or other security agreements ("Guaranteed Payment") from each Landowner to guarantee payment of its pro-rata share for the estimated design and construction costs of the City Sewer Project as shown on Chart #1 in Exhibit 7a in a total amount equal to: (a) \$484,000 for the estimated extra construction costs for the City Trunk Sewer 1 Overage; (b) \$50,000 for the estimated extra construction costs for the City Trunk Sewer 2 Overage; and (c) \$353,000 for the estimated extra design and construction costs for the Segment A & B Overage (collectively "Escrow Agent Sewer Project Escrow"). As part of the Development Agreement, the Escrow Agent on behalf of the Landowners has delivered bonds, escrows, letter of credits, or other security agreements, approved by the City Attorney, in a total amount equal to: (a) \$484,000 for the estimated extra construction costs for the City Trunk Sewer 1 Overage; (b) \$50,000 for the estimated extra construction costs for the City Trunk Sewer 2 Overage; and (c) \$353,000 for the estimated extra design and construction costs for the Segment A & B Overage (collectively "City Sewer Project Escrow").

In the event a Landowner fails to pay its pro rata share to the City or Escrow Agent for the City Sewer Project within the required timeframes described in the Development Agreement or in this Agreement, or the City makes proper demand upon the Escrow Agent on behalf of a Landowner(s) for all or a portion of said City Sewer Project Escrow, then the Escrow Agent, without further notice, presentation or demand, shall use any available Guaranteed Payment held in the Escrow Agent Sewer Project Escrow by the Escrow Agent on behalf of said Landowner for the City Sewer Project to pay the City on a timely basis for said Landowner's liability.

## **B. Rokeby Road Project.**

i. Rokeby Road Sewer Grading. Each applicable Landowner who is responsible to pay monies for the Rokeby Road Sewer Grading pursuant to the Development Agreement and this Agreement has delivered to the Escrow Agent the necessary Union Bank Loan (described under Paragraph 11F. below), bonds, escrows, letter of credits, or other security agreements to guarantee payment (“Guaranteed Payment”) of the Rokeby Road Sewer Grading based upon the applicable Landowner’s pro-rata share for the estimated design and construction costs as shown on Chart #1 in Exhibit 7a (“Escrow Agent Rokeby Road Sewer Grading Escrow”). Escrow Agent hereby acknowledges receipt of all the Escrow Agent Rokeby Road Sewer Grading Escrows.

On its behalf, the applicable Landowners hereby directs the Escrow Agent to deliver to the City the necessary bonds, escrows, letter of credits, or other security agreements, approved by the City Attorney, based upon each applicable Landowner’s pro-rata share as shown on Chart #1 in Exhibit 7a as part of the executive order process(es) to construct all of the Rokeby Road Sewer Grading component(s) of the Rokeby Road Project (individually and collectively “City Rokeby Road Sewer Grading Escrow”) in the amount of one hundred and five percent (105%) of the City engineer’s latest estimated cost of the Rokeby Road Sewer Grading, but not to exceed the amount of the applicable Escrow Agent Rokeby Road Sewer Grading Escrow amount. In the event, said amount is not adequate for the Escrow Agent to fund the City Rokeby Road Sewer Grading Escrow, then the Escrow Agent shall send notice to each applicable Landowner and each applicable Landowner will provide to the Escrow Agent the necessary additional bonds, escrows, letter of credits, or other security agreements, on forms approved by the City Attorney, to guarantee the additional payment Landowner’s pro-rata share for the City Rokeby Road Sewer Grading Escrow as shown on Chart #1 in Exhibit 7a for all of the Rokeby Road Sewer Grading within thirty (30) days of receipt of written notice from the Escrow Agent.

ii. Rokeby Road Urban Grading. Each applicable Landowner who is responsible to loan or advance monies for the Rokeby Road Urban Grading pursuant to the Development Agreement and this Agreement has delivered to the Escrow Agent the necessary Union Bank Loan (described under Paragraph 11F. below), bonds, escrows, letter of credits, or other security agreements to guarantee the loan or advancement (“Guaranteed Payment”) of the Rokeby Road Urban

Grading based upon the applicable Landowner's pro-rata share for the estimated design and construction costs as shown on Chart #1 in Exhibit 7b ("Escrow Agent Rokeby Road Urban Grading Escrow"). Escrow Agent hereby acknowledges receipt of all the Escrow Agent Rokeby Road Urban Grading Escrows.

On its behalf, the applicable Landowners hereby directs the Escrow Agent to deliver to the City the necessary bonds, escrows, letter of credits, or other security agreements, approved by the City Attorney, based upon each applicable Landowner's pro-rata share as shown on Chart #1 in Exhibit 7b as part of the executive order process(es) to construct all of the Rokeby Road Urban Grading component(s) of the Rokeby Road Project (individually and collectively "City Rokeby Road Urban Grading Escrow") in the amount of one hundred and five percent (105%) of the City engineer's latest estimated cost of the Rokeby Road Urban Grading, but not to exceed the amount of the applicable Escrow Agent Rokeby Road Urban Grading Escrow amount. In the event, said amount is not adequate for the Escrow Agent to fund the City Rokeby Road Urban Grading Escrow, then the Escrow Agent shall send notice to each applicable Landowner and each applicable Landowner will provide to the Escrow Agent the necessary additional bonds, escrows, letter of credits, or other security agreements, on forms approved by the City Attorney, to guarantee the additional loan or advancement of the Landowner's pro-rata share for the City Rokeby Road Urban Grading Escrow as shown on Chart #1 in Exhibit 7b for all of the Rokeby Road Urban Grading within thirty (30) days of receipt of written notice from the Escrow Agent.

iii. Segment C and Segment D. Each applicable Landowner who is responsible to loan or advance monies for the Segment C and Segment D pursuant to the Development Agreement and this Agreement has delivered to the Escrow Agent the necessary Union Bank Loan (described under Paragraph 11F. below), bonds, escrows, letter of credits, or other security agreements to guarantee the loan or advancement ("Guaranteed Payment") of the Segment C and Segment D based upon the applicable Landowner's pro-rata loan share for the estimated design and construction costs as shown on Chart #1 in Exhibit 7b ("Escrow Agent Segment C and Segment D Escrow"). Escrow Agent hereby acknowledges receipt of all the Escrow Agent Segment C and Segment D Escrows.

On its behalf, the applicable Landowners hereby directs the Escrow Agent to deliver to the City the necessary bonds, escrows, letter of credits, or other security agreements, approved by the City Attorney, based upon each applicable Landowner's pro-rata share as shown on Chart #1 in Exhibit 7b as part of the executive order process(es) to construct all of the Segment C and Segment D component(s) of the Rokeby Road Project (individually and collectively "City Segment C and Segment D Escrow") in the amount of one hundred and five percent (105%) of the City engineer's latest estimated cost of the Segment C and Segment D, but not to exceed the amount of the applicable Escrow Agent Segment C and Segment D Escrow amount. In the event, said amount is not adequate for the Escrow Agent to fund the City Segment C and Segment D Escrow, then the Escrow Agent shall send notice to each applicable Landowner and each applicable Landowner will provide to the Escrow Agent the necessary additional bonds, escrows, letter of credits, or other security agreements, on forms approved by the City Attorney, to guarantee the additional loan or advancement of Landowner's pro-rata share for the City Segment C and Segment D Escrow as shown on Chart #1 in Exhibit 7b for all of the Segment C and Segment D within thirty (30) days of receipt of written notice from the Escrow Agent.

**C. Landowner Sewer Project.** Each applicable Landowner who is responsible to loan or advance monies for the Landowner Sewer Project pursuant to the Development Agreement and this Agreement has delivered to the Escrow Agent the necessary Union Bank Loan (described under Paragraph 11F. below), bonds, escrows, letter of credits, or other security agreements to guarantee the loan or advancement ("Guaranteed Payment") of the Landowner's pro-rata share for the estimated design and construction costs of the Landowner Sewer Project pursuant to the Development Agreement as shown on Chart #2 in Exhibit 7b ("Escrow Agent Landowner Sewer Project Escrow"). Escrow Agent hereby acknowledges receipt of all the Escrow Agent Landowner Sewer Project Escrows.

On its behalf, the applicable Landowners hereby directs the Escrow Agent to deliver to the City the necessary bonds, escrows, letter of credits, or other security agreements, approved by the City Attorney, based upon each applicable Landowner's pro-rata share as shown on Chart #1 in Exhibit 7b as part of the executive order process(es) to construct all of the Landowner Sewer Project component(s) (individually and collectively "City Landowner Sewer Project Escrow") in the amount of one hundred

and five percent (105%) of the City engineer's latest estimated cost of the Landowner Sewer Project, but not to exceed the amount of the applicable Escrow Agent Landowner Sewer Project Escrow amount. In the event, said amount is not adequate for the Escrow Agent to fund the City Landowner Sewer Project Escrow, then the Escrow Agent shall send notice to each applicable Landowner and each applicable Landowner will provide to the Escrow Agent the necessary additional bonds, escrows, letter of credits, or other security agreements, on forms approved by the City Attorney, to guarantee the additional loan or advancement of Landowner's pro-rata share for the City Landowner Sewer Project Escrow as shown on Chart #1 in Exhibit 7b for all of the Landowner Sewer Project within thirty (30) days of receipt of written notice from the Escrow Agent.

**D. Watershed Master Plan.** The applicable Landowner has delivered to the Escrow Agent the necessary Union Bank Loan (described under Paragraph 11F. below), bonds, escrows, letter of credits, or other security agreements to guarantee payment ("Guaranteed Payment") of the applicable Landowner's pro-rata share for the estimated cost of the Watershed Master Plan as shown on Chart #3 in Exhibit 7a ("Escrow Agent Watershed Master Plan Escrow"). Escrow Agent hereby acknowledges receipt of all the Escrow Agent Landowner Watershed Master Plan Escrows.

**E. Property Master Plan.** The applicable Landowner has delivered to the Escrow Agent the necessary Union Bank Loan (described under Paragraph 11F. below), bonds, escrows, letter of credits, or other security agreements to guarantee payment ("Guaranteed Payment") of the applicable Landowner's pro-rata share for the for the estimated cost of the Property Master Plan as shown as "% of developable acres" on Chart #3 in Exhibit 7a ("Escrow Agent Property Master Plan Escrow"). Escrow Agent hereby acknowledges receipt of all the Escrow Agent Landowner Property Master Plan Escrows.

**F. Union Bank & Trust Company Standby Loan; First Lien.** Each Landowner has entered into a separate standby limited recourse loan document with Lender to provide the Escrow Agent the security for Guaranteed Payments for the Rokeby Road Sewer Grading, Rokeby Road Urban Grading, Segment C and Segment D, Landowner Sewer Project, Watershed Master Plan, and Property Master Plan (collectively " Union Bank Loan"). As part of the Union Bank Loan documentation, unless otherwise noted in this Agreement, each Landowner has granted Lender a first lien upon each Landowner's tract as described in Exhibit 1 to permit Lender to provide secure payment, loan or advancement to the Escrow Agent of the Landowners' obligations

hereunder in the amount of each Landowner's outstanding pro-rata share of costs as shown on Exhibit 7c. As monies are paid, loaned or advanced by a Landowner under the terms of the Development Agreement and this Agreement, then the amount of the first lien shall be reduced by eighty percent (80%) of said amount paid, loan or advance, unless said monies are funded by Lender under the terms of the loan documents. Each Union Bank Loan will contain a "due on sale" clause which will be waived by Lender in its reasonable discretion and provided a New Buyer (as hereafter defined) signs and delivers to Lender proper assumption loan documentation for the applicable Union Bank Loan. In the event a Landowner sales its tract to another Landowner or third party (collectively "New Buyer"), the Landowner and New Buyer must agree that the Union Bank Loan will continue as a first lien of said tract. Notwithstanding anything contained in this Agreement, each Landowner acknowledges and agrees that in the event a Landowner sales a portion of its tract to a New Buyer, then Landowner has the right to request a release of the applicable portion of the tract to be sold to the New Buyer and the Lender has the right to require in return a principal reduction payment be made, or bonds, escrows, letter of credits, or other security agreements acceptable to the Lender prior to filing any release of the security referenced to in the Union Bank Loan. Upon a Landowner's written request to Lender, Lender agrees to verify and acknowledge said lien amount (as may be reduced from time to time) in a written recordable form. When a Landowner has completed all it's obligations to fund, loan, pay, advance, repay, or guarantee payment hereunder and under the Development Agreement, and Lender has been relieved of all of its obligations and commitments to the City of Lincoln with regard to the applicable Landowner, then Lender agrees to release said lien in a written recordable form. Each Landowner acknowledges that the terms and conditions of each Union Bank Loan will be contained in separate loan documents, and said loan documents do not constitute an unqualified commitment to lend to any particular Landowner. If Union Bank & Trust Company in its capacity as Escrow Agent, requests from Lender an advance under the Union Bank Loan, the Parties understand and agree that the Lender will make the advance determination in its lending and corporate capacity, and reserves the right to refuse to advance under said Union Bank Loan as permitted in the underlying loan documents, and if it is aware of any reasonable reason to suspect such an advance is likely to be challenged or is in dispute among any of the Landowners. Each Landowner also agrees to waive any conflict of interest that may exist by Union Bank & Trust Company serving in its capacity as Escrow Agent/Drawee and Lender on a Union Bank

Loan. . Each Landowner or successor in interest who has become a party to a Union Bank Loan agrees and hereby appoints Union Bank and Trust Company as Escrow Agent as an authorized person to request draws or advances under the Union Bank Loans contemplated by this Agreement. Each Landowner has the right to request the Escrow Agent's consent to substitute cash, bond, or other security in lieu of the Union Bank Loan, provided Union Bank accepts possession of such alternate security and is satisfied that the alternate security is sufficient to fully satisfy any obligation the Escrow Agent may have to the City of Lincoln under this Agreement or the Development Agreement, in the Escrow's sole discretion. Each Landowner also agrees that no draws will be provided on any Union Bank Loan if the Landowner has not provided Union Bank a current and qualified appraisal and title insurance policy.

**G. Guaranteed Payment.** In the event a Landowner fails to pay or advance its pro rata share to the Escrow Agent to fund, loan, pay, advance, repay, or guarantee payment for the Rokeby Road Sewer Grading, Rokeby Road Urban Grading, Segment C and Segment D, Landowner Sewer Project, Watershed Master Plan, or Property Master Plan within the required timeframes described in the Development Agreement or this Agreement or a lawful party or contemplated beneficiary of the Development Agreement or this Agreement makes proper demand upon the Escrow Agent on behalf of a Landowner to fund, loan, repay, advance or guarantee payment for said Rokeby Road Sewer Grading, Rokeby Road Urban Grading, Segment C and Segment D, Landowner Sewer Project, Watershed Master Plan, or Property Master Plan under the Development Agreement or this Agreement, and if the Escrow Agent has not been provided with sufficient cash to meet the funding request within the applicable time frame, then the Escrow Agent, without further notice, presentation or demand, shall use any available funds held in the applicable escrow by the Escrow Agent on behalf of said Landowner for the Rokeby Road Sewer Grading, Rokeby Road Urban Grading, Segment C and Segment D, Landowner Sewer Project, Watershed Master Plan, or Property Master Plan to enable the Escrow Agent to fund, loan, pay, advance, repay, or guarantee payment on a timely basis for said applicable Landowner's liability, including but not limited to, the Escrow Agent is authorized by each Landowner to make a draw on the Union Bank Loan referred to in Paragraph 11 F above. The Escrow Agent agrees to provide a prompt notice of any



advances under the Union Bank Loan, and each Landowner agrees to promptly review and help clarify or correct all notices and accounting delivered by the Escrow Agent.

**12. Rural Water District.** The Landowners understand and acknowledge that the City may not furnish water to serve that portion of the Property that lies within the boundaries of Rural Water District No. 1 Lancaster County, Nebraska (“District No. 1”) without the consent and approval of District No. 1. Certain Landowners may have a written license agreement with District No. 1, which may entitle the Landowner or City to be relieved from paying all or a portion of the normal and customary costs needed to obtain District No. 1’s approval for the City to furnish water to the Property lying within the boundaries of District No. 1. Each Landowner desires that all the Landowner’s real estate located within the Property be connected to the City’s Public water system upon annexation by the City. Therefore, each Landowner agrees to pay, prior to annexation of any portion of its real estate located within the Property that lies within the boundaries of District No. 1, all the related costs needed to obtain District No. 1’s approval for the City to furnish water to any portion of each Landowner’s real estate located within Property lying within the boundaries of District No. 1, subject to any and all Landowner’s/City’s rights, title and interest in the license agreement for possible relief from paying of all or a portion of said normal and customary costs.

**13. Government Approval.** Each Landowner shall have the right to apply for annexation, rezoning, preliminary plat, final plat, use permits, special permits and other governmental permits to develop the Landowner’s tract with urban services (collectively “Governmental Approval”). Each Landowner will use its best efforts to generally follow the Master Plan, but each Landowner reserves the right to make reasonable modifications or make modifications as required by the City; provided that said modifications shall not cause the City Sewer Project, Rokeby Road Project and Landowner Sewer Project to have inadequate sewer capacity for the entire Property.

**14. Further Assurances.** Each party will use its best and reasonable efforts to successfully carry out and complete each task, covenant, and obligation as stated herein. Each of the parties shall cooperate in good faith with the other and shall do any and all acts and execute, acknowledge and deliver any and all documents so requested in order to satisfy the conditions set forth herein and carry out the intent and purposes of this Agreement.

**15. Governing Law.** All aspects of this Agreement shall be governed by the laws of the State of Nebraska. The invalidity of any portion of this Agreement shall not invalidate the remaining provisions.

**16. Interpretations.** Any uncertainty or ambiguity existing herein shall not be interpreted against either party because such party prepared any portion of this Agreement, but shall be interpreted according to the application of rules of interpretation of contracts generally.

**17. Construction.** Whenever used herein, including acknowledgments, the singular shall be construed to include the plural, the plural the singular, and the use of any gender shall be construed to include and be applicable to all genders as the context shall warrant.

**18. Relationship of Parties.** Neither the method of computation of funding or any other provisions contained in this Agreement or any acts of any party shall be deemed or construed by the City, Landowner, or by any third person to create the relationship of partnership or of joint venture or of any association between the parties other than the contractual relationship stated in this Agreement.

**19. Assignment.** In the case of the assignment of this Agreement by any of the parties, prompt written notice shall be given to the other parties who shall at the time of such notice be furnished with a duplicate of such assignment by such assignor. Any such assignment shall not terminate the liability of the assignor to perform its obligations hereunder, unless a specific release in writing is given and signed by the other parties to this Agreement or unless otherwise stated herein.

**20. Default.** Time is agreed to be of the essence. In the event any Landowner or Escrow Agent fails to comply with any of the terms, covenants or responsibilities hereof, then any applicable Landowner party may declare a default fifteen (15) days after the defaulting party receives written notice specifying the nature thereof, provided, however, in the case of a default which cannot, in the exercise of reasonable diligence, reasonably be cured within such fifteen (15) day period, the continuation thereof beyond such period as is required to cure the same with the exercise of reasonable diligence. If any default under this Agreement shall occur and the defaulting party fails to cure the same within the express curative time period herein provided, the other party may seek any remedy at law or in equity without notice or demand, including

specific performance. No delay or omission of any party in exercising any remedies or power accruing upon any event of default shall impair any remedies or power or shall be construed to be a waiver of any event of default or any acquiescence therein.

**A. Default Interest.** Any obligation that is not made when due shall then bear interest after default equal to an annual interest rate of ten percent (10%) per annum ("Default Interest").

**B. First Lien.** Each Landowner has granted to Lender under separate Union Bank Loan documents a first lien upon each Landowner's tract as described in Exhibit 1 to secure payment, loan or advancement of the obligations hereunder in the amount of the Landowner's outstanding pro-rata share of costs as shown on Exhibit 7c.

**C. Second Lien.** Each Landowner has granted to the other Landowners a second mortgage lien upon each Landowner's tract as described in Exhibit 1 to secure payment, loan or advancement of the obligations hereunder in the amount of the Landowner's outstanding pro-rata share of costs as shown on Exhibit 7c.

**D. Copy of Notice of Default to Mortgagee.** Whenever a party shall deliver any notice or demand to a defaulting party with respect to any breach or default by defaulting party of its obligations or covenants in this Agreement, the party delivering such notice or demand shall at the same time forward a copy of such notice or demand to each holder of any mortgage, deed of trust or similar method of encumbrance (collectively "Mortgage") at the last address of such Mortgage holder as shown in the records of the Register of Deeds of Lancaster County as provided in such Mortgage of the Defaulting Party.

**E. Mortgage Holder's Option to Cure Defaults.** If fourteen (14) days after any notice or demand with respect to any breach or default as referred to in Paragraph 20, such breach or default remains uncured, each such Mortgage holder shall have the right, at its option, to cure or remedy such breach or default and to add the cost thereof to the mortgage debt and the lien of its Mortgage.

**F. Buildable Lot.** Notwithstanding any contrary provisions herein, any Buildable Lot shall automatically be deemed release from this Agreement without further written release. A "Buildable Lot" shall mean a buildable lot of record as defined by the City subdivision ordinance having (a) less than ten acres in size, (b) lawfully subdivided

from the Property and (c) conveyed in fee title (or leased in writing for a term of three years or more) to an Unrelated Third Party. Notwithstanding any contrary provision herein, any Buildable Lot Owner shall automatically be deemed released from this Agreement without further written release. A "Buildable Lot Owner" is the grantee under a deed conveying fee title (or a lessee under a written lease having a term of three years or more) who is an Unrelated Third Party. Any such conveyance (or lease) of a Buildable Lot shall not terminate the liability of the grantor (lessor) Party to perform its obligations hereunder, unless a specific release in writing is given and signed by the other Parties to this Agreement. An "Unrelated Third Party" means a person, corporation, partnership, trust or other entity who is not a Party, Successors or Assigns, nor an Affiliate under this Agreement. "Affiliate" means: (i) any officer, director, employee or blood related family member of a Party; and (ii) any corporation, partnership, trust or other entity controlling, controlled by or under common control with a Party or any person described in (i) above; and (iii) any officer, director, trustee, general partner or employee of any person described in (ii) above. For purposes of this definition, the term "control" shall also mean the control or ownership of ten percent (10%) or more of the beneficial ownership or fifty percent (50%) of the memberships in the entity referred to.

**21. Binding Effect.** This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, devisees, personal representatives, successors and assigns and shall inure to and run with the Property.

**22. Recordation.** This Agreement or a memorandum thereof shall be filed in the Office of the Register of Deeds of Lancaster County, Nebraska at the City's cost and expense.

**23. No Other Infrastructure Improvements Addressed.** Each Landowner(s) at a later date will be submitting a request for annexation, zoning and preliminary plats for the Property and this Agreement is not contingent upon the approval of annexation, zoning and preliminary plats of the Property. Each Landowner acknowledges that actual annexation of any portion of the Property will require additional infrastructure improvements, such as roads, water lines, sewer lines, parks, and trails.

**24. Representation.** The Landowners are the fee owners of their respective tracts of land as described in Exhibit 1 and said tracts and legal interests are free and clear of liens, except for

the first lien and second lien described herein and any other lien that is junior to the first lien and second lien described herein. All necessary actions to duly approve the execution, delivery, and performance of this Agreement and the Development Agreement has been undertaken by each Party and this Agreement constitutes a valid and binding agreement of the Parties, enforceable in accordance with its terms.

**25. Notice.** Any notices required to be forwarded to a Party hereto shall be deemed appropriately sent, if deposited in the United States Mail, sufficient postage prepaid, addressed as follows:

If to the City:

Mayor  
555 South 10th Street  
Lincoln, Nebraska 68508

with a copy to:

City Attorney  
575 South 10<sup>th</sup> Street  
Lincoln, NE 68508

(2) If to Escrow Agent:

Union Bank and Trust Company  
6811 South 27<sup>th</sup> Street P.O. Box 82535  
Lincoln, NE 68501  
Attention: Ralen Klustermeyer

with a copy to:

R. J. Shortridge  
Perry, Guthery, Haase & Gessford, P.C., L.L.O.  
233 South 13 Street, Suite 1400  
Lincoln, NE 68508

(3) If to Lender:

Union Bank and Trust Company  
P.O. Box 82535  
Lincoln, NE 68501  
Attention: Christopher C. Wagner

with a copy to:

R. J. Shortridge  
Perry, Guthery, Haase & Gessford, P.C., L.L.O.  
233 South 13 Street, Suite 1400  
Lincoln, NE 68508

(4) Northern Lights:  
Tom White and John Brager  
P.O. Box 22296  
Lincoln, NE 68542-2296

(5) If to 3800 Normal:  
  
John Schleich  
8644 Executive Woods Drive  
Lincoln, NE 68512

(6) If to SVHC:  
  
Southview Holding Company, Inc.  
Attention: John F. Schleich  
8644 Executive Woods Drive  
Lincoln, NE 68512

(7) If to Talcott Farms:  
  
Talcott Farms Inc  
13707 Rokeby Road  
Bennet, NE 68317

with a copy to:

Developments Unlimited  
Attention: John F. Schleich  
8644 Executive Woods Drive  
Lincoln, NE 68512

(8) If to Catholic Bishop:  
  
The Catholic Bishop of Lincoln  
P.O. Box 80328  
Lincoln, NE 68510

(9) If to CWT:  
  
Carlton W. Talcott  
10400 South 84th Street  
Lincoln, NE 68516

with a copy to:

Rick Krueger

Krueger Development Company, Inc.  
8200 Cody Drive, Suite F  
Lincoln, NE 68512

(10) If to M&CT:

Milton and Carol Talcott  
8100 Rokeby Road  
Lincoln, NE 68516

(11) If to M. Talcott, Inc.:

Marion Talcott, Inc.  
c/o Marion Pillard  
7604 Stormy Way  
Colorado Springs, CO 80922

(12) Developments Unlimited:

John F. Schleich  
8644 Executive Woods Drive  
Lincoln, NE 68512

(13) If to Smith:

Fred and Janet Smith  
9301 South 84th Street  
Lincoln, NE 68516

with a copy to:

Rick Krueger  
Krueger Development Company, Inc.  
8200 Cody Drive, Suite F  
Lincoln, NE 68512

(14) If to Darharsh Trustees:

Bernita and Clinton Darharsh  
9215 South 84th Street  
Lincoln, NE 68516

(15) If to Marquardt Group 1:

Charles and June Marquardt  
1818 Brent Blvd.  
Lincoln, NE 68506

(16) If to Marquardt Group 2:

Charles and June Marquardt  
1818 Brent Blvd.  
Lincoln, NE 68506

- (17) If to M&CT Trustees:

Milton and Carol Talcott  
8100 Rokeby Road  
Lincoln, NE 68516

with a copy to:

Rick Krueger  
Krueger Development Company, Inc.  
8200 Cody Drive, Suite F  
Lincoln, NE 68512

- (18) If to M. Talcott Trustee:

Marion Talcott  
c/o Marion Pillard 7604 Stormy Way  
Colorado Springs, CO 80922

- (19) If to Talcott Land:

Talcott Land & Cattle, Inc.  
10400 South 84th Street  
Lincoln, NE 6516

with a copy to:

Rick Krueger  
Krueger Development Company, Inc.  
8200 Cody Drive, Suite F  
Lincoln, NE 68512

- (20) If to Attorney:

Seacrest & Kalkowski, PC, LLO  
1111 Lincoln Mall, Suite 350  
Lincoln, NE 68508

- (21) If to Engineer:

Civil Design Group  
3901 Normal Boulevard, Suite 203  
Lincoln, NE 68506

Any Party hereto may change its address for notification purposes by written notice to all Parties hereto in the manner and method set forth within this paragraph.



**26. Termination.** This Agreement shall terminate upon the completion of construction of and the payment, loan and advancement in full for the City Sewer Project, Rokeby Road Project and Landowner Sewer Project. Upon the occurrence of the above, the Parties will execute and deliver to each other within thirty (30) days of such occurrence of the above a mutual release in a recordable form of all the duties and obligations imposed on the Parties pursuant to this Agreement. Upon a Landowner fully satisfies all the duties and obligations, including fully funding all its responsibilities for the City Sewer Project, Rokeby Road Project and Landowner Sewer Project, then said Landowner may request a release from the other remaining Landowner and other remaining Landowner will execute and deliver to said Landowner a written release in a recordable form within thirty (30) days of the receipt of said Landowners written request.

**27. Conflicts.** The Parties acknowledge that Attorney has fully explained to the Parties the implication of Seacrest & Kalkowski, P.C., LLO's common representation of the Parties regarding this Agreement and the Development Agreement and the matters contained therein, and in the event an actual conflict arises and it is necessary for any Party to take action against another Party to this Agreement, then it will be necessary for each Party to obtain independent separate legal counsel. The Parties understand the implication of common representation and hereby consent to Attorney's representation of the Parties.

**28. Written Certification.** In addition to any other information which may reasonably be requested, any Party shall without charge, at any time and from time to time hereafter, within fourteen (14) days after written request from another Party for the same, certify by written instrument duly executed and acknowledged to any person, firm or corporation the following information which was specified in such request:

1. Whether this Agreement has been supplemented or amended, and if so, the substance and manner of such supplement or amendment;
2. Whether this Agreement is still valid;
3. The existence of any default under this Agreement;
4. The existence of any claims, liens or amounts owed to such Party by any other Party; and
5. The commencement and expiration dates of the term of this Agreement.

**29. Reliance.** Any such certificate may be relied on by the Party who requested it

and by any other person, firm or corporation to whom it may be exhibited or delivered, and the contents of the certificate shall be binding on the Party executing it. Each undersigned Party will, except as otherwise provided herein, whenever it shall be necessary to do so by the other, promptly execute, acknowledge, and deliver, or cause to be executed, acknowledged, or delivered, documents as may be necessary or proper to effectuate the covenants and agreements herein provided.

**30. Escrow Agent.**

**A. Appointment of Escrow Agent.** The Landowners hereby jointly and severally agree to appoint Escrow Agent to serve as Escrow Agent under the terms and conditions of the Development Agreement and this Agreement.

**B. Ministerial Capacity.** Escrow Agent is appointed under this Agreement to carry out the obligations, duties and responsibilities described in the Development Agreement and this Agreement in a ministerial capacity. Escrow Agent shall not carryout any other obligations, duties, or responsibilities not expressly stated in the Development Agreement or this Agreement.

**C. Duties and Liabilities of Escrow Agent.** Acceptance of Escrow Agent of its duties under the Development Agreement and this Agreement is subject to the following terms and conditions, which shall govern and control the rights, duties, and immunities of the Escrow Agent:

1. Escrow Agent shall not be responsible in any manner for any failure or inability of any Landowner, the City of Lincoln, or other parties to honor any of the provisions of this Agreement, the Development Agreement, or any other related agreements or commitments;
2. Escrow Agent shall not be liable for any act done or step taken in good faith, or for anything which it may do or refrain from doing in connection herewith, except for the Escrow Agent's negligence or willful misconduct. Notwithstanding the foregoing, the Escrow Agent's total liability to the parties to this Agreement shall not exceed the amount of cleared funds received by the Escrow Agent under this Agreement, but in no event shall the Escrow Agent be liable for any consequential or incidental damages of any party;
3. Escrow Agent undertakes to perform such duties and only such duties as are specifically set forth in the Development Agreement and this Agreement, and

no implied covenants or obligations shall be read into the Development Agreement and this Agreement against the Escrow Agent;

4. Escrow Agent may conclusively rely, as to the truth of the statements and correctness of the matters expressed therein, upon statements, billings, requests for reimbursements, or other documents furnished or delivered to the Escrow Agent under the Development Agreement and this Agreement;
5. The Escrow Agent will send a written escrow and accounting report (at least quarterly) to the Landowners. The Escrow Agent will also comply with the timeframes and deadlines described for notices, communications, reports, accountings, invoices, payments, advancements and refunds described in the Development Agreement and this Agreement; provided that, in the event more than one infrastructure notice, communication, report, accounting, invoice, payment, advancement and/or refund (collectively "Transactions") is received by the Escrow Agent or required to be made by the Escrow Agent during a calendar month, then the Escrow Agent shall have the right to compile said Transactions and send a consolidated package of the Transactions to the Landowners not more than once a calendar month.
6. Escrow Agent may consult with experts and counsel (who may but need not be council for the Landowners). The opinion or actions taken upon advice of legal counsel for the Landowners or other experts duly retained by the Landowners shall be deemed full and complete authorization and protection in respect of any action taken or suffered, and in respect of any determination made by Escrow Agent with respect to or in accordance with such advice, opinion or counsel;
7. Before taking any action hereunder, the Escrow Agent may require any party to furnish an additional indemnity bond or other indemnity and security deemed advisable by the Escrow Agent;
8. Landowners acknowledge that the Escrow Agent is undertaking the stated obligations or promises of the City of Lincoln, Landowners or any other related entity on behalf of said City, Landowners or other related entity and not in its own name or capacity. To the extent the City, any Landowner or any related other entity is unable to pay for, fund, loan, repay or reimburse its obligations hereunder or under the Development Agreement, then the

Landowners shall have no claim or cause of action against the Escrow Agent. Likewise, the Landowners acknowledge that the Escrow Agent shall not be required to pay for, fund, loan, repay or reimburse any project costs or expenses contemplated by this Agreement or the Development Agreement from its own funds;

9. Escrow Agent agrees to provide accounting of its receipts, disbursements, and other activities to the Landowners on at least a semi-annual basis. Escrow Agent is authorized to draw upon any Landowners' Guaranteed Payments at the required time and for reasons stated in the Development Agreement and this Agreement. In the event of a Guaranteed Payment shortage or lack of other security, the Escrow Agent shall have the right to ask the applicable Landowner to provide such additional Guaranteed Payments or other security;
10. Notwithstanding any contrary provision herein, when the Escrow Agent is required to fund, loan, pay, advance, repay, or guarantee payment hereunder make a payment within a specified thirty (30) day or forty-five (45) days in the Development Agreement or this Agreement, the parties agree that Escrow Agent will use its best efforts and reasonable to comply with said specified time periods.
11. When City, Landowner or third party reimburses the Escrow Agent on behalf of a Landowner, the Escrow Agent agrees to reimburse the applicable Landowner as soon as reasonably possible, but no later than thirty (30) days of receipt of said monies minus any Transactional Escrow Fees owned by said applicable Landowners to the Escrow Agent. In the event of any overpayment or misapplied payment, the effected Landowner agrees to repay the Escrow Agent upon notice of said overpayment or misapplied payment;
12. The Landowners jointly and severally in the amount of each Landowner's pro-rata share of the "Grand Totals" costs as shown on Exhibit 7c agree to indemnify the Escrow Agent for, and to hold it harmless against, any loss, claim, liability or expenses, including reasonable attorneys fees to the extent permitted by law, arising out of or in connection with the acceptance and administration of the escrows and other duties contemplated by the Development Agreement and this Agreement, except for those claims and losses caused by the negligence or willful misconduct of the Escrow Agent; and

13. In the event of any overpayment or misapplied payment from the Escrow Agent to a Landowner, the effected Landowner agrees to repay the Escrow Agent upon notice of said overpayment or misapplied payment.

**D. Right to Use Guaranteed Payment.** In the event a Landowner fails to pay, fund, loan, repay, advance, or reimburse its pro rata share to the Escrow Agent within the required time period as described in the Development Agreement or this Agreement, then the Escrow Agent, without further notice, presentation or demand, shall use any available funds held by the Escrow Agent on behalf of said Landowner for the purposes to make such payment, funding, loan, repayment, advancement or reimbursement within forty (45) days of receipt of the applicable notice to pay, fund, loan, repay, advancement or reimburse said Landowner's liability.

**E. Escrow Agent Fee.** The Landowners agree to pay the Escrow Agent a base fee of Five Thousand and No/100 Dollars (\$5,000) ("Set-up Escrow Fee") to (i) operationally and legally review the Development Agreement and this Agreement; (ii) set up, establish and deliver the City Sewer Project Escrow to the City as described in the Development Agreement; (iii) to set up and establish applicable escrows for Rokeby Road Sewer Grading, Rokeby Road Urban Grading, Segment C and Segment D, Landowner Sewer Project, Watershed Master Plan and Property Master Plan pursuant to this Agreement; and (iv) set up the initial accounting and custodial systems for the City Sewer Project, Rokeby Road Sewer Grading, Rokeby Road Urban Grading, Segment C and Segment D, Landowner Sewer Project, Watershed Master Plan and Property Master Plan (collectively "Coalition Activities"). Each Landowner, at its expense, agrees to pay the Escrow Agent for its pro rata share of the Set-up Escrow Fee based upon the "% of developable acres" on Chart #1 in Exhibit 7a. Within (30) days of the date of this Agreement, the Escrow Agent will bill the Landowners their pro rata share of the Set-up Fee. In turn, each Landowner agrees to pay its pro rata share to the Escrow Agent within thirty (30) days of receipt of Escrow Agent billing.

In addition, the Landowners agree to pay the Escrow Agent for on-going ministerial transaction work to properly administer the applicable Coalition Activities pursuant to the Development Agreement and this Agreement based upon the following hourly charges:

Operational Staff	\$50/hr
Administrative Staff	\$150/hr

including all reasonable out of pocket costs and expenses, including postage, supplies, long distance telephone charges, wires, attorney's fees, engineers, or any other consultation that may be reasonably required (collectively "Transactional Escrow Fee"). The above Transactional Escrow Fee may be annually adjusted in a reasonable manner based upon the Escrow Agent's published rates. As part of the Escrow Agents transaction involving the Coalition Activities, the Escrow Agent is entitled to charge the Landowner the Transactional Escrow Fee at such time. The Escrow Agent may bill the Landowners their pro rata share of the Transactional Escrow Fee based upon the Landowner's pro rata share of the applicable Coalition Activities that generated the transaction for the Escrow Agent. In turn, each Landowner agrees to pay its pro rata share to the Escrow Agent within thirty (30) days of receipt of Escrow Agent's billing.

In the event a Landowner fails to pay its pro rata share of the Set-up Escrow Fee or Transactional Escrow Fee to the Escrow Agent within thirty (30) day of receipt of the Escrow Agent's billing then the Escrow Agent, without further notice, presentation or demand, shall use any available funds held in the applicable escrow by the Escrow Agent on behalf of said Landowner for the Coalition Activities to enable the Escrow Agent to be paid on a timely basis for said Landowner's liability.

**F. Right To Discontinue.** Should the Escrow Agent before or after closing of any escrow described herein become aware of any conflicts in demands or claims with respect to this escrow or the rights of any of the Parties hereto, or any money or property deposited herein or effected hereby, the Escrow Agent shall have the right to discontinue any or all further acts on its part until such conflict is resolved to its satisfaction, and the Escrow Agent shall have the further right to commence or defend any action or proceedings for the determination of such conflict. The Landowners hereto agree to pay all costs, demands, judgments, and expenses, including reasonable attorneys' fees to the extent permitted by law, suffered or incurred by the Escrow Agent in connection with, or arising out of this Agreement, including, but without limiting the generality of the foregoing, a suit in interpleader brought by the Escrow Agent. In the event the Escrow Agent files a suit in interpleader, it shall ipso facto be fully released and discharged from all obligations further to perform any and all duties or obligations imposed hereunder. Upon any resignation by the Escrow Agent, Escrow Agent shall only be required to

deliver all funds and other documentation in its possession or control to the City of Lincoln, or to a substitute Escrow Agent appointed by all of the Landowners.

**G. Right to Terminate.** The City and a majority of the Landowners (based upon fifty percent (50%) or more of the Landowner's pro-rata share of the outstanding costs as shown on Exhibit 7c for the yet to be completed and then outstanding estimated Projects) shall have the right to terminate the Escrow Agent and appoint a new escrow agent in writing. Until the new escrow agent is duly appoint in writing and written notice provided to the Escrow Agent, the Escrow Agent shall continue to provide the Escrow Agent services described in the Development Agreement and this Agreement.

**31. Advance Guarantee Payments and Other Funds.** If any Landowner fails to pay, fund, loan, repay, advance, reimburse or provide such additional requested Guaranteed Payments or other security as described in the Development Agreement or in this Agreement, then any other Landowner as a "Lending Party" may elect to advance such funds or other security to the Escrow Agent or City on behalf of said Landowner who fails to perform as the "Borrowing Party" and said amount shall be the "Loan Amount" as contemplated by Paragraphs 6 and 7 of this Agreement.

**32. Exhibit 7a and Exhibit 7b.** The costs and expenses shown on Exhibit 7a and Exhibit 7b are the Engineer's best estimates and are not based upon actual incurred expenses and costs. Any pro rata share, expenses or costs that the City or Landowner agree to pay for, fund, loan, repay or reimburse in the Development Agreement or this Agreement shall be based upon the actual incurred planning, design and construction expenses and costs for the specific task or improvements described herein and not based upon the Engineer's best estimates.

**33. Developments Unlimited Additional Responsibilities.** Developments Unlimited has entered into a purchase agreement with Talcott Farms Inc., a Nebraska corporation ("Talcott Farms") to acquire the Talcott Farms' property shown on Exhibit 1. Developments Unlimited is responsible to pay Talcott Farms' prorated shares of the: City Sewer Project (estimated cost of \$90,688); Watershed Master Planning (estimated cost of \$5,290); Property Master Planning (estimated cost of \$1,689); Segment C (estimated cost of \$33,964); and Rokeby Road Urban Grading (estimated cost of \$78,230) as described in Exhibit 7. Northern Lights, 3800 Normal and SVHC are responsible for 26.7% (estimated amount of \$104,421) of the Rokeby Road Urban Grading. As an accommodation to Northern Lights, 3800 Normal and SVHC,

Developments Unlimited has agreed to provide the necessary escrow funds on behalf of Northern Lights, 3800 Normal or SVHC under this Agreement and to enter into the Union Bank Loan for the amounts owned by Northern Lights, 3800 Normal or SVHC under this Agreement. Notwithstanding any contrary provision herein, Northern Lights, 3800 Normal and SVHC agree to pay on a timely basis their share of costs as described in this Agreement. Consequently, the Northern Lights, 3800 Normal and SVHC tract (Parcel 1) and Talcott Farm's tract (Parcel 2) are not subject to the first lien of Lender and second lien of the Landowners described in this Agreement and instead, Developments Unlimited tract (Parcel 7) is subject to the additional debt liability of Northern Lights, 3800 Normal, SVHC (Parcel 1) and Talcott Farms/Developments Unlimited (Parcel 2) hereunder.

**34. Contingency.** This Agreement is contingent upon the City, Escrow Agent and Landowners executing and delivering the Development Agreement and the City approving the Comprehensive Plan Amendments and Design Standard waiver described in the Development Agreement.

**35. Amendments.** This Agreement may only be amended or modified in writing signed by the Escrow Agent and eighty percent (80%) of the Landowners (based upon eighty percent (80%) or more of the Landowner's pro-rata share of the outstanding costs as shown on Exhibit 7c for the yet to be completed and then outstanding estimated Projects); provided that, no amendment or modification shall impend or harm a Landowner's rights, title and interests in the design, construction and implementation of the City Sewer Project, Rokeby Road Project or the Landowners Sewer Project.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year first written above.

“ESCROW AGENT”

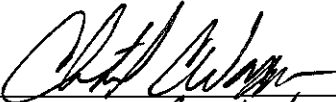
**Union Bank & Trust Company, a  
Nebraska corporation**

By: Ralene K. Klattmeyer  
Title: App + Trust Officer



“LENDER”

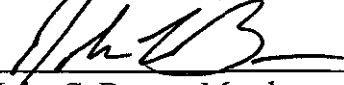
**Union Bank & Trust Company, a  
Nebraska corporation**

By:   
Title: via fax

“NORTHERN LIGHTS”

**NORTHERN LIGHTS, L.L.C., a  
Nebraska limited liability company**

By:   
Thomas E. White, Member

By:   
John C. Brager, Member

“3800 NORMAL”

**3800 NORMAL, LLC, a Nebraska limited  
liability company**

By:   
John F. Schleich, Member

By:   
Thomas G. Schleich, Member

“SVHC”

**SOUTHVIEW HOLDING COMPANY,  
INC., a Nebraska corporation**

By:   
Thomas G. Schleich, President

“CATHOLIC BISHOP”

**The Catholic Bishop of Lincoln, a  
Nebraska nonprofit corporation**

By: *+* *F. Dan Brager*  
Title: *President*

“CWT”

*Carlton W. Talcott*  
**Carlton W. Talcott, a single person**

“M&CT”

*Milton L. Talcott*  
**Milton L. Talcott, a married person**

*Carol A. Talcott*  
**Carol A. Talcott, a married person**

“DEVELOPMENTS UNLIMITED”

**Developments Unlimited, LLP, a Nebraska limited liability partnership**

By: **Ridge Development Company, a Nebraska corporation, Member**

By: *Thomas E. White*  
Thomas E. White  
President of Development

By: *John C. Brager*  
John C. Brager  
President of Construction

By: **Southview, Inc., a Nebraska corporation, Member**

By: *John F. Schleich*  
John F. Schleich, President

“SMITH”

*Fred H. Smith*  
**Fred H. Smith, a married person**

Janet L. Smith  
Janet L. Smith, a married person

“DAHARSH TRUSTEES”

Bernita J. Daharsh  
Bernita J. Daharsh, Trustee

Clinton T. Daharsh  
Clinton T. Daharsh, Trustee

“O’CONNOR TRUSTEE”

Donna Lea O’Connor, TRUSTEE  
Donna Lea O’Connor, Trustee

“C&JM”

Charles J. Marquardt  
Charles J. Marquardt, a married person

June N. Marquardt  
June N. Marquardt, a married person

“M&CT Trustees”

Milton L. Talcott (Trustee)  
Milton L. Talcott, Trustee

Carol A. Talcott, trustee  
Carol A. Talcott, Trustee

“M. Talcott Trustee”

Milton L. Talcott (Trustee)  
Milton L. Talcott, Trustee

"Talcott Land"

**Talcott Land & Cattle, Inc,** a Nebraska corporation

By: *Carlton W. Talcott*  
Title: *President*

"M. TALCOTT, INC."

**Marion Talcott, Inc,** a Nebraska corporation

By: *Marion P. Rillard*  
Title: *President*

STATE OF NEBRASKA )  
 ) ss.  
COUNTY OF LANCASTER )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2006, by Coleen J. Seng, Mayor of the City of Lincoln, Nebraska, a municipal corporation.

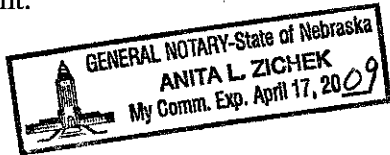
(Seal)

\_\_\_\_\_  
Notary Public

STATE OF NEBRASKA )  
 ) ss.  
COUNTY OF LANCASTER )

The foregoing instrument was acknowledged before me this 9 day of November 2006, by Ralene Klostermeyer, as AVP of **Union Bank & Trust Company**, a Nebraska corporation, on behalf of the corporation, as Escrow Agent.

(Seal)

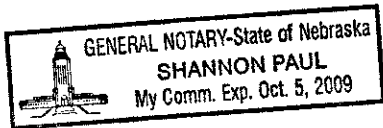


Anita L. Zichek  
Notary Public

STATE OF NEBRASKA )  
 ) ss.  
COUNTY OF LANCASTER )

The foregoing instrument was acknowledged before me this 10 day of November 2006, by Christopher Wagner, as vice president of **Union Bank & Trust Company**, a Nebraska corporation, on behalf of the corporation, as Lender.

(Seal)

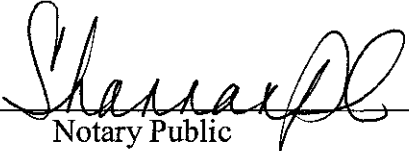


Shannon Paul  
Notary Public

STATE OF NEBRASKA )  
 ) ss.  
COUNTY OF LANCASTER )

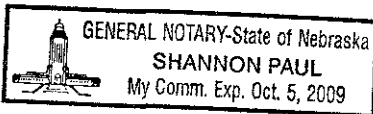
The foregoing instrument was acknowledged before me this 18 day of October 2006, by Thomas E. White, member of **Northern Lights, L.L.C.**, a Nebraska limited liability company, on behalf of the limited liability company.

(Seal) 

  
Notary Public

STATE OF NEBRASKA )  
 ) ss.  
COUNTY OF LANCASTER )

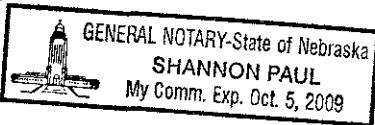
The foregoing instrument was acknowledged before me this 18 day of October 2006, by John C. Brager, member of **Northern Lights, L.L.C.**, a Nebraska limited liability company, on behalf of the limited liability company.

(Seal) 

  
Notary Public

STATE OF NEBRASKA )  
 ) ss.  
COUNTY OF LANCASTER )

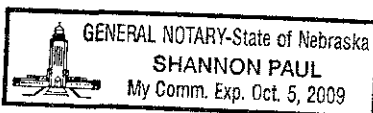
The foregoing instrument was acknowledged before me this 18<sup>th</sup> day of October, 2006 by John F. Schleich, Member of **3800 Normal, LLC**, a Nebraska limited liability company, on behalf of the limited liability company.

(Seal) 

  
Notary Public

STATE OF NEBRASKA )  
 ) ss.  
COUNTY OF LANCASTER )

The foregoing instrument was acknowledged before me this 18<sup>th</sup> day of October, 2006 by Thomas G. Schleich, Member of **3800 Normal, LLC**, a Nebraska limited liability company, on behalf of the limited liability company.

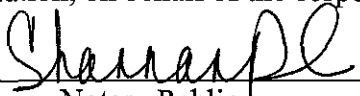
(Seal) 

  
Notary Public

STATE OF NEBRASKA )  
 ) ss.  
COUNTY OF LANCASTER )


The foregoing instrument was acknowledged before me this 19 day of October, 2006 by Thomas E. Schleich, as President of Southview Holding Company, Inc. a Nebraska corporation, on behalf of the corporation.

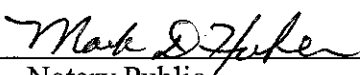
(Seal) 

  
\_\_\_\_\_  
Notary Public

STATE OF NEBRASKA )  
 ) ss.  
COUNTY OF LANCASTER )

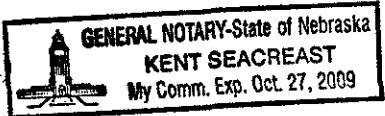
The foregoing instrument was acknowledged before me this 20<sup>th</sup> day of Oct, 2006, by Fabian W. Bruskeitz, President of The Catholic Bishop of Lincoln, a Nebraska nonprofit corporation, on behalf of the nonprofit corporation.

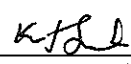
(Seal) 

  
\_\_\_\_\_  
Notary Public

STATE OF NEBRASKA )  
 ) ss.  
COUNTY OF LANCASTER )

The foregoing instrument was acknowledged before me this 16<sup>th</sup> day of Oct, 2006, by Carlton W. Talcott, a single person.


(Seal) 

  
\_\_\_\_\_  
Notary Public

STATE OF NEBRASKA )  
 ) ss.  
COUNTY OF LANCASTER )

The foregoing instrument was acknowledged before me this 16 day of Oct, 2006, by Milton L. Talcott, a married person.

(Seal) 

  
\_\_\_\_\_  
Notary Public

STATE OF NEBRASKA )  
 ) ss.  
COUNTY OF LANCASTER )

The foregoing instrument was acknowledged before me this 16th day of Oct, 2006, by **Carol A. Talcott**, a married person.

(Seal)



K. Seacrest  
Notary Public

STATE OF NEBRASKA )  
 ) ss.  
COUNTY OF LANCASTER )

The foregoing was acknowledged before me this 18 day of October, 2006, by Thomas E. White, President of Development of Ridge Development Company, a Nebraska corporation, as a Member of **Developments Unlimited, LLP**, a Nebraska limited liability partnership, on behalf of the limited liability partnership.

(Seal)



Shannon Paul  
Notary Public

STATE OF NEBRASKA )  
 ) ss.  
COUNTY OF LANCASTER )

The foregoing was acknowledged before me this 18 day of October, 2006, by John C. Brager, President of Construction of Ridge Development Company, a Nebraska corporation, as a Member of **Developments Unlimited, LLP**, a Nebraska limited liability partnership, on behalf of the limited liability partnership.

(Seal)

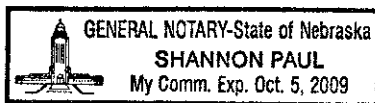


Shannon Paul  
Notary Public

STATE OF NEBRASKA )  
 ) ss.  
COUNTY OF LANCASTER )

The foregoing was acknowledged before me this 18 day of October, 2006, by John F. Schleich, President of Southview, Inc., a Nebraska corporation, as a Member of **Developments Unlimited, LLP**, a Nebraska limited liability partnership, on behalf of the limited liability partnership.

(Seal)



Shannon Paul  
Notary Public



STATE OF NEBRASKA )  
 ) ss.  
COUNTY OF LANCASTER )

The foregoing instrument was acknowledged before me this 16<sup>th</sup> day of OCT, 2006, by **Fred H. Smith**, a married person.

(Seal)

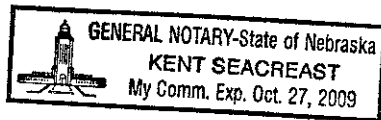


K. Seacrest  
Notary Public

STATE OF NEBRASKA )  
 ) ss.  
COUNTY OF LANCASTER )

The foregoing instrument was acknowledged before me this 16<sup>th</sup> day of OCT, 2006, by **Janet L. Smith**, a married person.

(Seal)

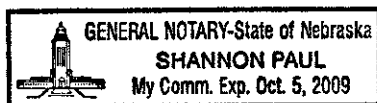


K. Seacrest  
Notary Public

STATE OF NEBRASKA )  
 ) ss.  
COUNTY OF LANCASTER )

The foregoing instrument was acknowledged before me this 26 day of October, 2006, by **Bernita J. Daharsh, Trustee** a trustee of the Bernita J. Daharsh Revocable Trust, on behalf of the trust.

(Seal)

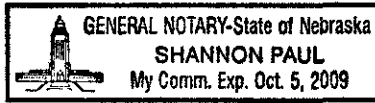


Shannon Paul  
Notary Public

STATE OF NEBRASKA )  
 ) ss.  
COUNTY OF LANCASTER )

The foregoing instrument was acknowledged before me this 26 day of October, 2006, by **Clinton T. Daharsh, Trustee** a trustee of the Bemita J. Daharsh Revocable Trust, on behalf of the trust.

(Seal)



Shannon Paul  
Notary Public

STATE OF NEBRASKA )  
 ) ss.  
COUNTY OF LANCASTER )

The foregoing instrument was acknowledged before me this 16th day of Oct, 2006, by **Donna Lea O'Connor, Trustee** a trustee of the Donna Lea O'Connor Revocable Trust, on behalf of the trust.

(Seal)

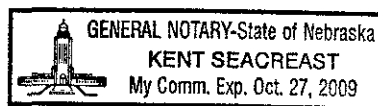


Kent Seacrest  
Notary Public

STATE OF NEBRASKA )  
 ) ss.  
COUNTY OF LANCASTER )

The foregoing instrument was acknowledged before me this 16th day of Oct, 2006, by **Charles J. Marquardt**, a married person.

(Seal)

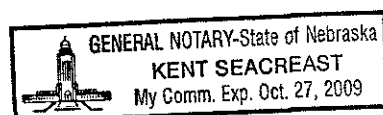


Kent Seacrest  
Notary Public

STATE OF NEBRASKA )  
 ) ss.  
COUNTY OF LANCASTER )

The foregoing instrument was acknowledged before me this 16th day of Oct, 2006, by **June N. Marquardt**, a married person.

(Seal)



Kent Seacrest  
Notary Public

STATE OF NEBRASKA )  
 ) ss.  
COUNTY OF LANCASTER )

The foregoing instrument was acknowledged before me this 16th day of Oct, 2006, by **Milton L. Talcott, Trustee** a trustee of the \_\_\_\_\_, on behalf of the trust.

(Seal)



K. Seacrest  
Notary Public

STATE OF NEBRASKA )  
 ) ss.  
COUNTY OF LANCASTER )

The foregoing instrument was acknowledged before me this 16th day of Oct, 2006, by **Carol A. Talcott, Trustee** a trustee of the \_\_\_\_\_, on behalf of the trust.

(Seal)



K. Seacrest  
Notary Public

STATE OF NEBRASKA )  
 ) ss.  
COUNTY OF LANCASTER )

The foregoing instrument was acknowledged before me this 16th day of Oct 2006, by Carlton W. Talcott, as President of **Talcott Land & Cattle, Inc.**, a Nebraska corporation, on behalf of the corporation.

(Seal)

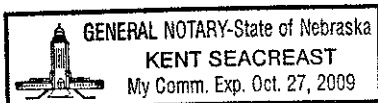


K. Seacrest  
Notary Public

STATE OF NEBRASKA )  
 ) ss.  
COUNTY OF LANCASTER )

The foregoing instrument was acknowledged before me this 16th day of Oct, 2006, by **Milton L. Talcott, Trustee** a trustee of the \_\_\_\_\_, on behalf of the trust.

(Seal)



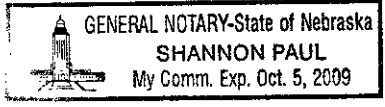
K. Seacrest  
Notary Public

STATE OF NEBRASKA            )  
  ) ss.  
COUNTY OF LANCASTER        )

The foregoing instrument was acknowledged before me this 19<sup>th</sup> day of June 2006, by Marion Pillard, as President of **Marion Talcott, Inc**, a Nebraska corporation, on behalf of the corporation.

Shannon Paul  
Notary Public

(Seal)



PROPERTY

S. 98TH STREET

S. 84TH STREET

S. 70TH STREET

YANKEE HILL ROAD

ROKEBY ROAD

PARCEL 12  
M&CT TRUSTEES

PARCEL 10  
MARQUARDT  
GROUP 1

PARCEL 11  
MARQUARDT  
GROUP 2

PARCEL 14  
TALCOTT LAND

PARCEL 15  
M. TALCOTT TRUSTEE

PARCEL 13  
CWT

PARCEL 9  
DANARSH  
TRUSTEES

PARCEL 8  
SMITH

PARCEL 6  
M. TALCOTT, INC

PARCEL 5  
M&CT

PARCEL 4  
CWT

PARCEL 7  
DEVELOPMENTS  
UNLIMITED

PARCEL 3  
CATHOLIC BISHOP

PARCEL 1  
NORTHERN LIGHTS  
3800 NORMAL  
AT 11

PARCEL 2  
TALCOTT FARMS



drawn by: djr  
checked by: mte  
project no.: 2005-0020  
date: 05/08/2006

DEVELOPMENT AGREEMENT  
S 84 AND ROKEBY RD.  
LINCOLN, NEBRASKA



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EXHIBIT

1-1

PROPERTY WITH BASIN LINES

S. 98TH STREET

S. 84TH STREET

YANKEE HILL ROAD

S. 70TH STREET

ROKEBY ROAD

PARCEL 12a

M&CT TALCOTT TRUSTEES

PARCEL 12b

PARCEL 12c

PARCEL 10  
MARQUARDT  
GROUP 1

PARCEL 11a

MARQUARDT  
GROUP 2

PARCEL 11b

PARCEL 14  
TALCOTT LAND

PARCEL 15  
M. TALCOTT TRUSTEE

PARCEL 13  
CWT

PARCEL 9  
DAHARSH  
TRUSTEES

PARCEL 8

SMITH

PAR. 7

PARCEL 6  
M. TALCOTT, INC

PARCEL 5.  
M&CT

DEVELOPMENTS  
UNLIMITED

PARCEL 3

CATHOLIC BISHOP

PARCEL 4  
CWT

PARCEL 1  
NORTHERN LIGHTS  
3800 NORMAL  
AT 11

PARCEL 2b

TALCOTT FARMS

PARCEL 2a



drawn by: djr  
checked by: mte  
project no.: 2005-0020  
date: 05/08/2006

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EXHIBIT

1-2

### EXHIBIT 1-3

#### Parcel 1

Lot 14, Irregular Tracts located in the Southwest Quarter of Section 27, Township 9 North, Range 7 East of the 6th P.M., Lancaster County, Nebraska. This parcel is not subject to the Union Bank Loan first lien or Landowner's second lien described in the Coalition Agreement.

#### Parcel 2

The West Half of the Northwest Quarter of Section 34, Township 9 North, Range 7 East of the 6th P.M., Lancaster County, Nebraska, except the N33' thereof and except the West part of road deeded to Lancaster County, Nebraska as Inst. No. 91-522. This parcel is not subject to the Union Bank Loan first lien or Landowner's second lien described in the Coalition Agreement.

The East Half of the Northwest Quarter of Section 34, Township 9 North, Range 7 East of the 6th P.M., Lancaster County, Nebraska, except the Northwest Quarter of the North Half thereof. This parcel is not subject to the Union Bank Loan first lien or Landowner's second lien described in the Coalition Agreement.

#### Parcel 3

The West Half of the Northeast Quarter of Section 34, Township 9 North, Range 7 East of the 6th P.M., Lancaster County, Nebraska

Beginning at the Northwest corner of the East One-Half of the Northeast Quarter of Section 34, Township 9 North, Range 7 East of the 6th P.M., Lancaster County, Nebraska; thence in an Easterly direction, along the North line of the East One-half of the Northeast Quarter of said Section 34, on an assumed bearing of North 89 degrees 54 minutes 12 seconds East for a distance of 859.01 feet; Thence South 00 degrees 05 minutes 48 seconds East for a distance of 33.00 feet to a point on the Southerly Right-of-Way line of Rokeby Road; Thence South 80 degrees 26 minutes 55 seconds East along the Southerly Right-of-Way line of Rokeby Road for a distance of 101.43 feet; Thence North 89 degrees 54 minutes 12 seconds East, along the Southerly Right-of-Way line of Rokeby Road for a distance of 344.92 feet to a point on the Westerly Right-of-Way line of South 84th Street; Thence South 00 degrees 00 minutes 00 seconds West along the Westerly Right-of-Way line of South 84th Street, for a distance of 36.78 feet; Thence South 05 degrees 24 minutes 14 seconds West along the Westerly Right-of-Way line of 84th Street, for a distance of 371.65 feet; Thence South 01 degrees 59 minutes 52 seconds East, along the Westerly Right-of-Way of line of South 84th Street, for a distance of 165.42 feet; Thence South 89 degrees 54 minutes 12 seconds West for a distance of 919.34 feet; Thence South 17 degrees 10 minutes 11 seconds West for a distance of 335.45 feet; Thence North 88 degrees 13 minutes 11 seconds West for a distance of 42.79 feet; Thence South 00 degrees 30 minutes 00 seconds East for a distance of 1703.13 feet to a point on the South line of the East One-half of the Northeast Quarter of said Section 34; Thence South 89 degrees 50 minutes 13 seconds West, along the South line of the East One-Half of the Northeast Quarter of said Section 34, for a

distance of 213.00 feet to the Southwest corner of the East One-half of the Northeast Quarter of said Section 34; Thence North 00 degrees 20 minutes 09 seconds West, along the West line of the East One-Half of the Northeast Quarter of said Section 34, for a distance of 2644.34 feet to the Point of Beginning.

Parcel 4

Referring to the Southeast corner of the East One-Half of the Northeast Quarter of Section 34, Township 9 North, Range 7 East of the 6<sup>th</sup> P.M., Lancaster, County, Nebraska; Thence in a Westerly direction, along the South line of the East One-half of the Northeast Quarter of said Section 34, on an assumed bearing of South 89 degrees 50 minutes 13 seconds West for a distance of 725.12 feet to the Point of Beginning; Thence North 00 degrees 00 minutes 00 seconds for a distance of 1321.89 feet; Thence North 89 degrees 52 minutes 37 seconds East for a distance of 654.62 feet to a point of the Westerly Right-of-Way line of South 84<sup>th</sup> Street; Thence North 00 degrees 35 minutes 35 seconds West, along the Westerly Right-of-Way line south of 84<sup>th</sup> Street, for a distance of 434.68 feet; Thence North 01 degrees 59 minutes 52 seconds West, along the Westerly Right-of-Way line of South 84<sup>th</sup> Street, for a distance of 264.84 feet; Thence South 89 degrees 54 minutes 12 seconds West for a distance of 919.34 feet; Thence South 17 degrees 10 minutes 11 seconds West for a distance of 335.45 feet; Thence North 88 degrees 13 minutes 11 seconds West for a distance of 42.79 feet; Thence South 00 degrees 30 minutes 00 seconds East for a distance of 1703.13 feet to a point on the South line of the East one-half of the Northeast Quarter of said Section 34. Thence North 89 degrees 50 minutes 13 seconds East, along the South line of the East One-Half of the Northeast Quarter of said Section 34, for a distance of 405.39 feet to the point of Beginning.

Lot 1, Irregular Tracts located in the Northeast Quarter of Section 34, Township 9 North, Range 7 East of the 6<sup>th</sup> P.M., Lancaster County, Nebraska, except that part deeded for road in Inst. No. 92-51577.

Parcel 5

Lot 23, Irregular Tracts located in the Southeast Quarter of Section 27, Township 9 North, Range 7 East of the 6<sup>th</sup> P.M., Lancaster County, Nebraska

Parcel 6

Lot 39, Irregular Tracts located in the Southeast Quarter of Section 27, Township 9 North, Range 7 East of the 6<sup>th</sup> P.M., Lancaster County, Nebraska

Parcel 7

Lot 38, Irregular Tracts located in the Southeast Quarter of Section 27, Township 9 North, Range 7 East of the 6<sup>th</sup> P.M., Lancaster County, Nebraska

Parcel 8

Lot 27, Irregular Tract located in the Southeast Quarter of Section 27, Township 9 North, Range 7 East of the 6<sup>th</sup> P.M., Lancaster County, Nebraska



Parcel 9

Lot 10, Irregular Tracts located in the Southeast Quarter of Section 27, Township 9 North, Range 7 East of the 6th P.M., Lancaster County, Nebraska

Parcel 10

Lot 57, Irregular Tract in the Southwest Quarter of Section 26, Township 9 North, Range 7 East of the 6th P.M., Lancaster County, Nebraska

Parcel 11

Lot 58 and 59, Irregular Tracts in the Southwest Quarter of Section 26, Township 9 North, Range 7 East of the 6th P.M., Lancaster County, Nebraska

Parcel 12

Lots 35 and 36, Irregular Tracts located in the Northeast Quarter of Section 26, Township 9 North, Range 7 East of the 6th P.M., Lancaster County, Nebraska AND Lots 32 & 33, Irregular Tracts located in the Southwest Quarter of Section 26, Township 9 North, Range 7 East of the 6th P.M., Lancaster County, Nebraska AND Lots 31 & 34 Irregular Tracts located in the Southeast Quarter of Section 26, Township 9 North, Range 7 East of the 6th P.M., Lancaster County, Nebraska

Parcel 13

Lot 1, Irregular Tracts located in the Northwest Quarter of Section 35, Township 9 North, Range 7 East of the 6th P.M., Lancaster County, Nebraska

Parcel 14

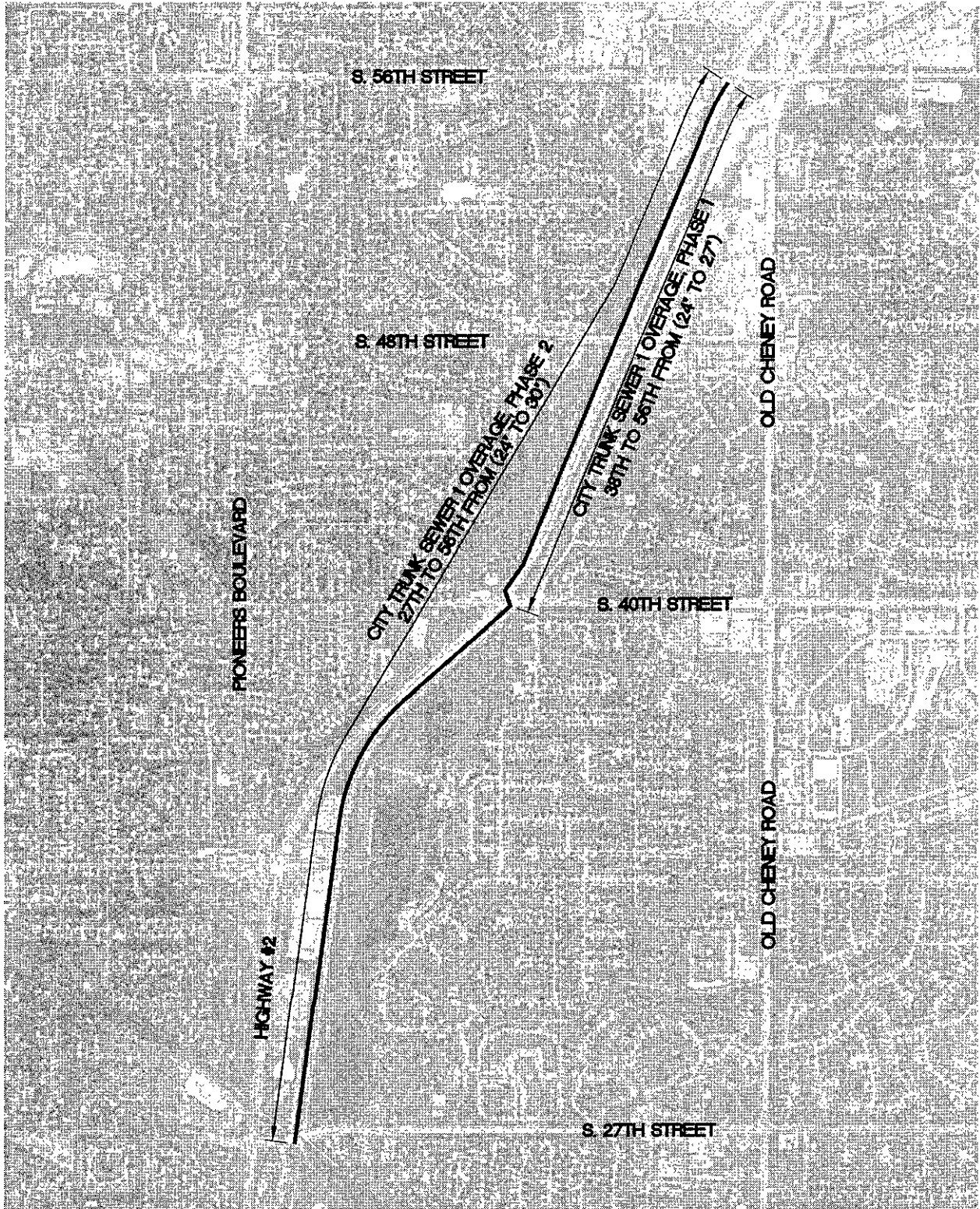
Lot 24, Irregular Tracts located in the Northwest Quarter of Section 35, Township 9 North, Range 7 East of the 6th P.M., Lancaster County, Nebraska

Parcel 15

Lot 23, Irregular Tracts located in the Northwest Quarter of Section 35, Township 9 North, Range 7 East of the 6th P.M., Lancaster County, Nebraska

EXHIBIT 2

CITY SEWER PROJECT — CITY TRUNK SEWER 1 OVERAGE  
(CONCEPTUAL DESIGN SUBJECT TO CITY APPROVAL & FINAL DESIGN)



drawn by: djr  
checked by: mte  
project no.: 2005-0020  
date: 05/30/2006

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S 84 AND ROKEBY RD.  
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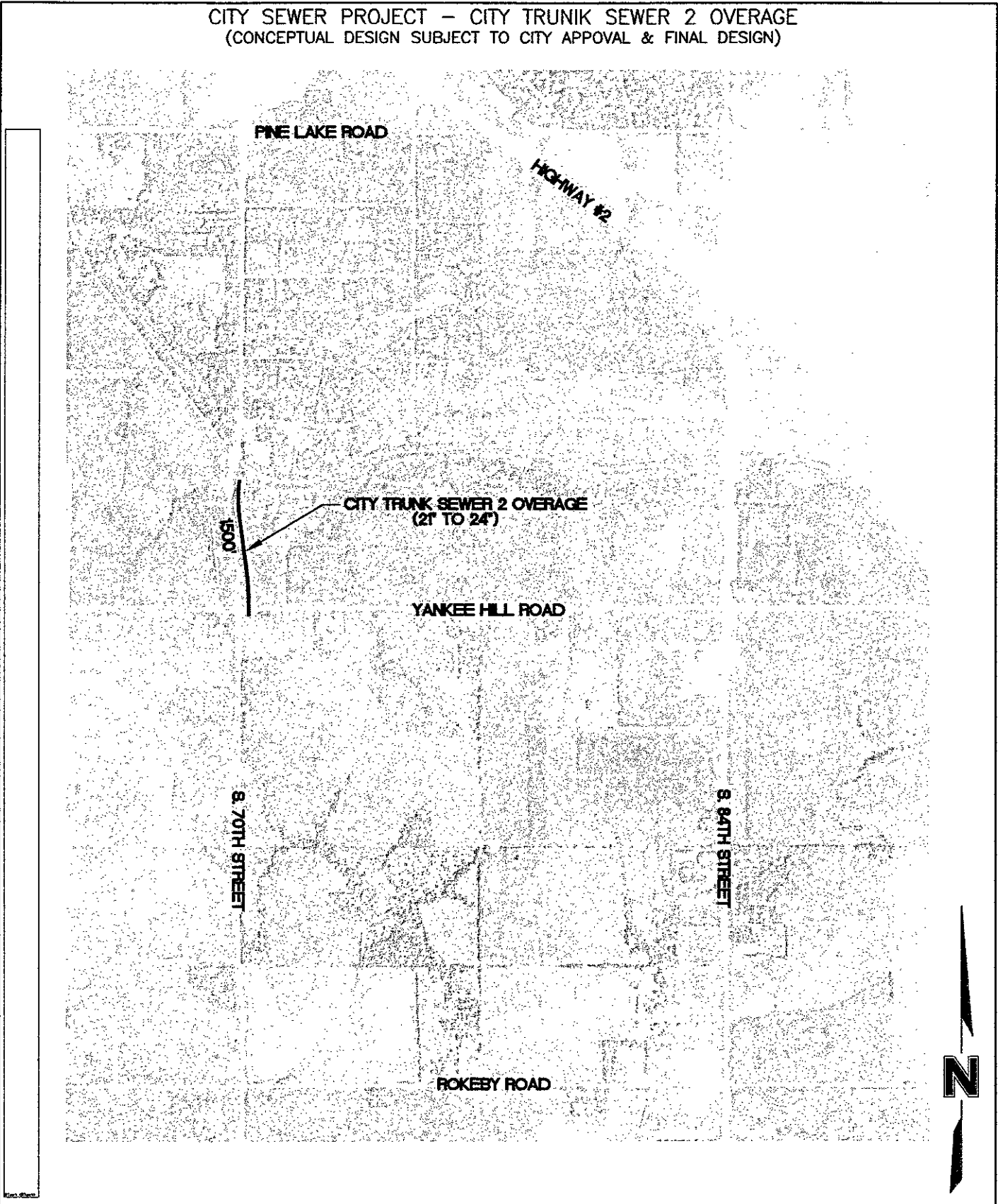
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EXHIBIT

2

EXHIBIT 3

CITY SEWER PROJECT – CITY TRUNK SEWER 2 OVERAGE  
(CONCEPTUAL DESIGN SUBJECT TO CITY APPROVAL & FINAL DESIGN)



drawn by: djr  
checked by: mte  
project no.: 2005-0020  
date: 05/30/2006

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S 84 AND ROKEBY RD.  
LINCOLN, NEBRASKA



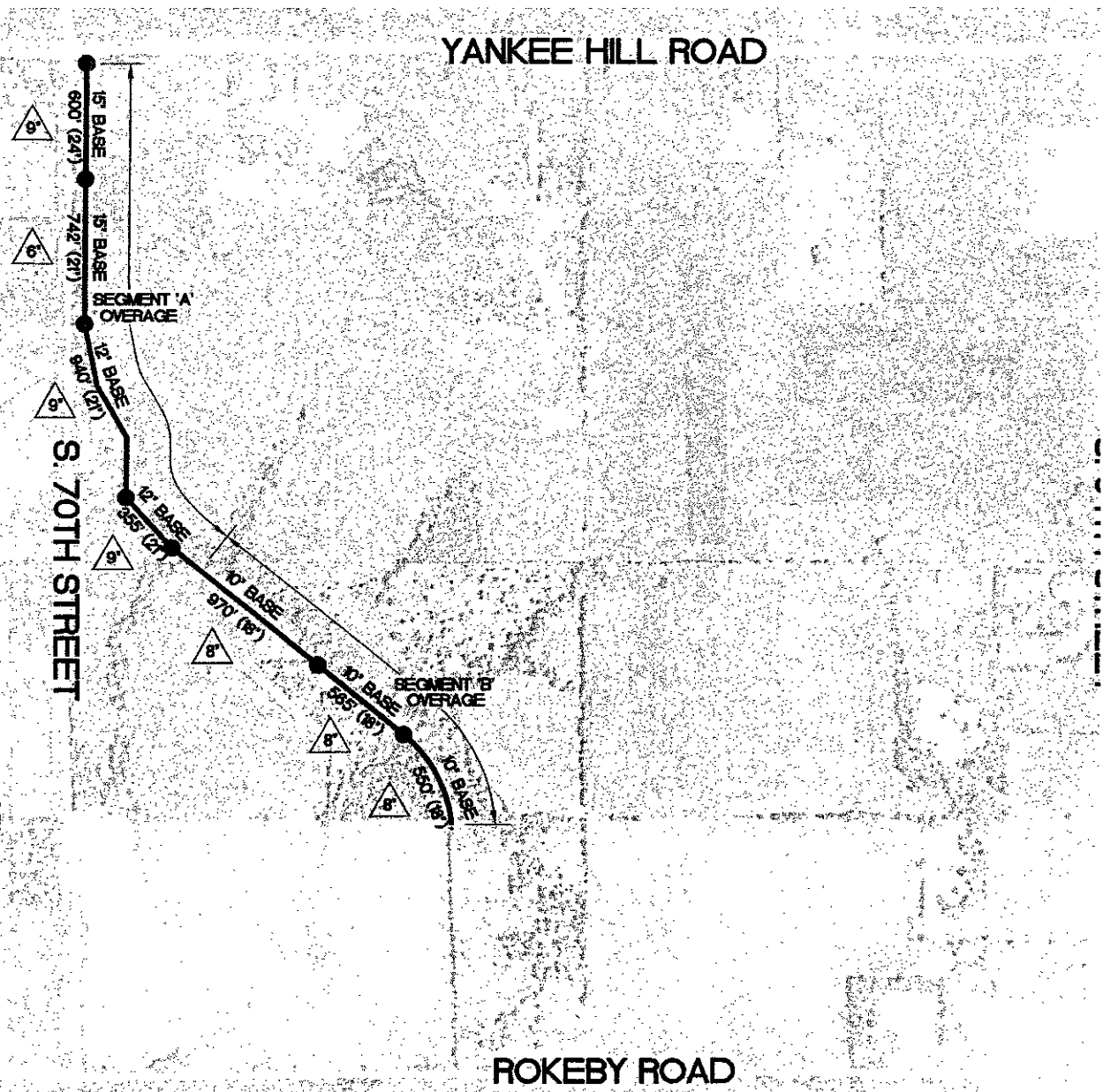
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Ph. 402-434-8484 Fax 866-215-8747  
www.civildg.com

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EXHIBIT

3

CITY SEWER PROJECT – SEGMENT A & B OVERAGE  
 (CONCEPTUAL DESIGN SUBJECT TO CITY APPROVAL & FINAL DESIGN)



**LEGEND**

- XX" BASE      APPROXIMATE SEWER SIZE BASED ON EXISTING DRAINAGE BASIN
- 00X"          APPROXIMATE SEWER SIZE BASED ON EXISTING DRAINAGE BASIN PLUS PROPERTY
- X"             OVERAGE (DIFFERENCE IN PIPE SIZE)

drawn by: djr  
 checked by: mte  
 project no.: 2005-0020  
 date: 05/26/2006

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EXHIBIT  
**4**

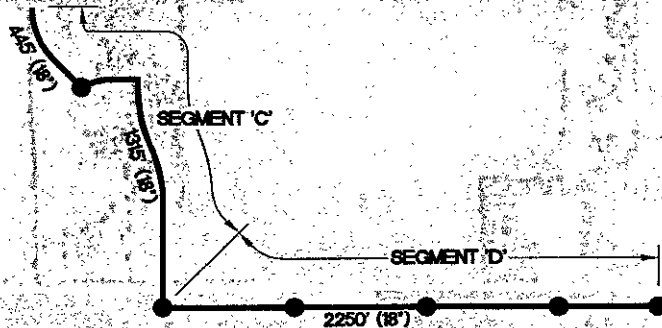
ROKEBY ROAD PROJECT – SEGMENT C & D  
(CONCEPTUAL DESIGN SUBJECT TO CITY APPROVAL & FINAL DESIGN)

YANKEE HILL ROAD

S. 70TH STREET

S. 84TH STREET

ROKEBY ROAD



drawn by: djr  
 checked by: mte  
 project no.: 2005-0020  
 date: 05/26/2006

DEVELOPMENT AGREEMENT  
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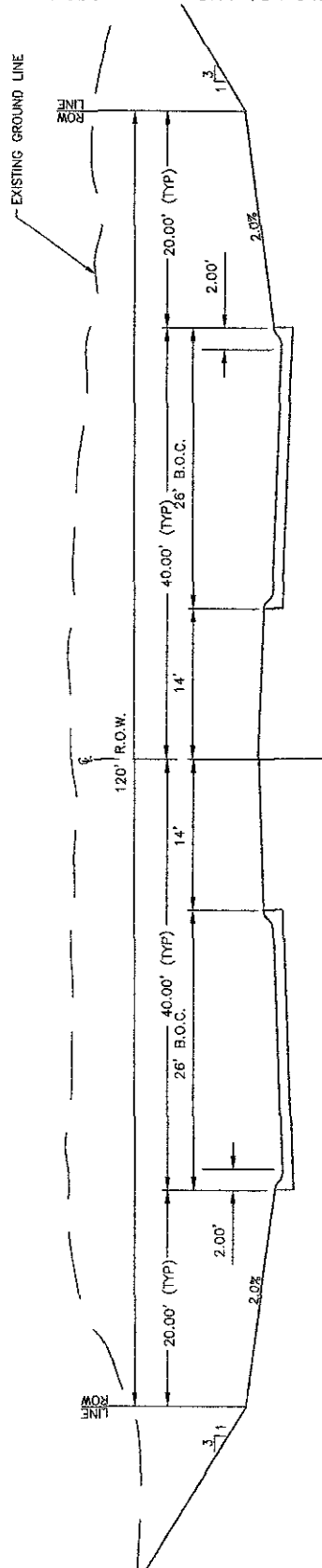
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EXHIBIT

5

ROKEBY ROAD PROJECT - STREET CROSS-SECTION  
 (CONCEPTUAL DESIGN SUBJECT TO CITY APPROVAL & FINAL DESIGN)

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**GRADING CROSS-SECTION  
 FOR ROKEBY ROAD**  
 NOT TO SCALE

drawn by: djr  
 checked by: mte  
 project no.: 2005-0020  
 date: 05/30/2006

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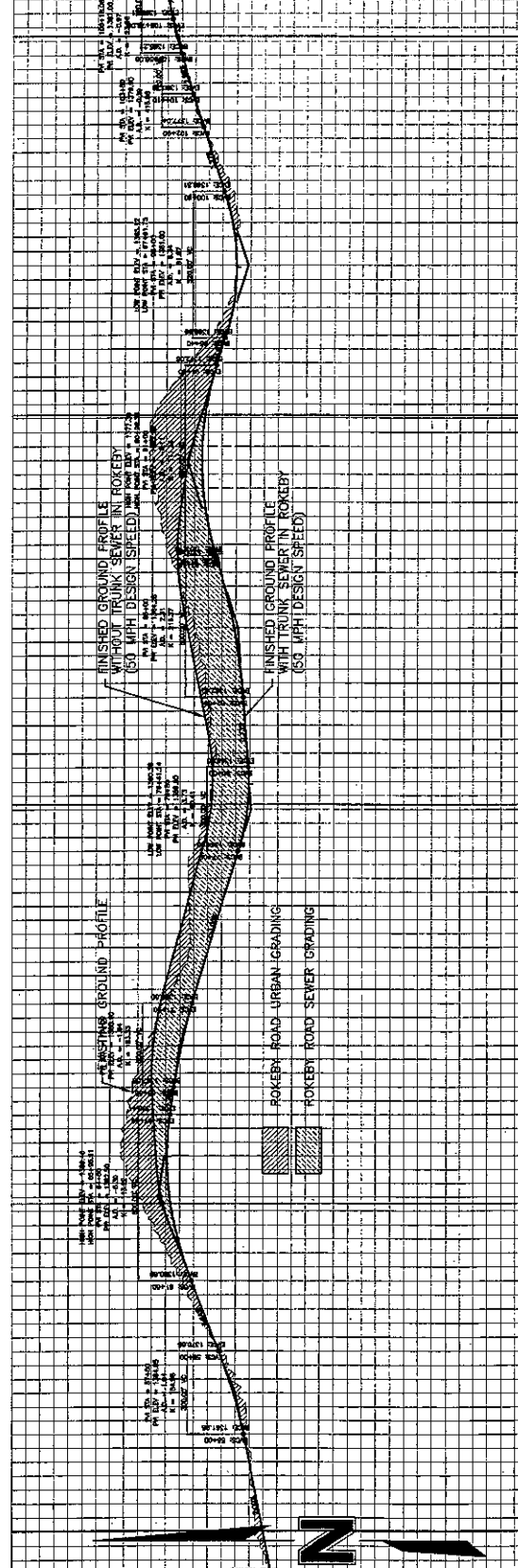
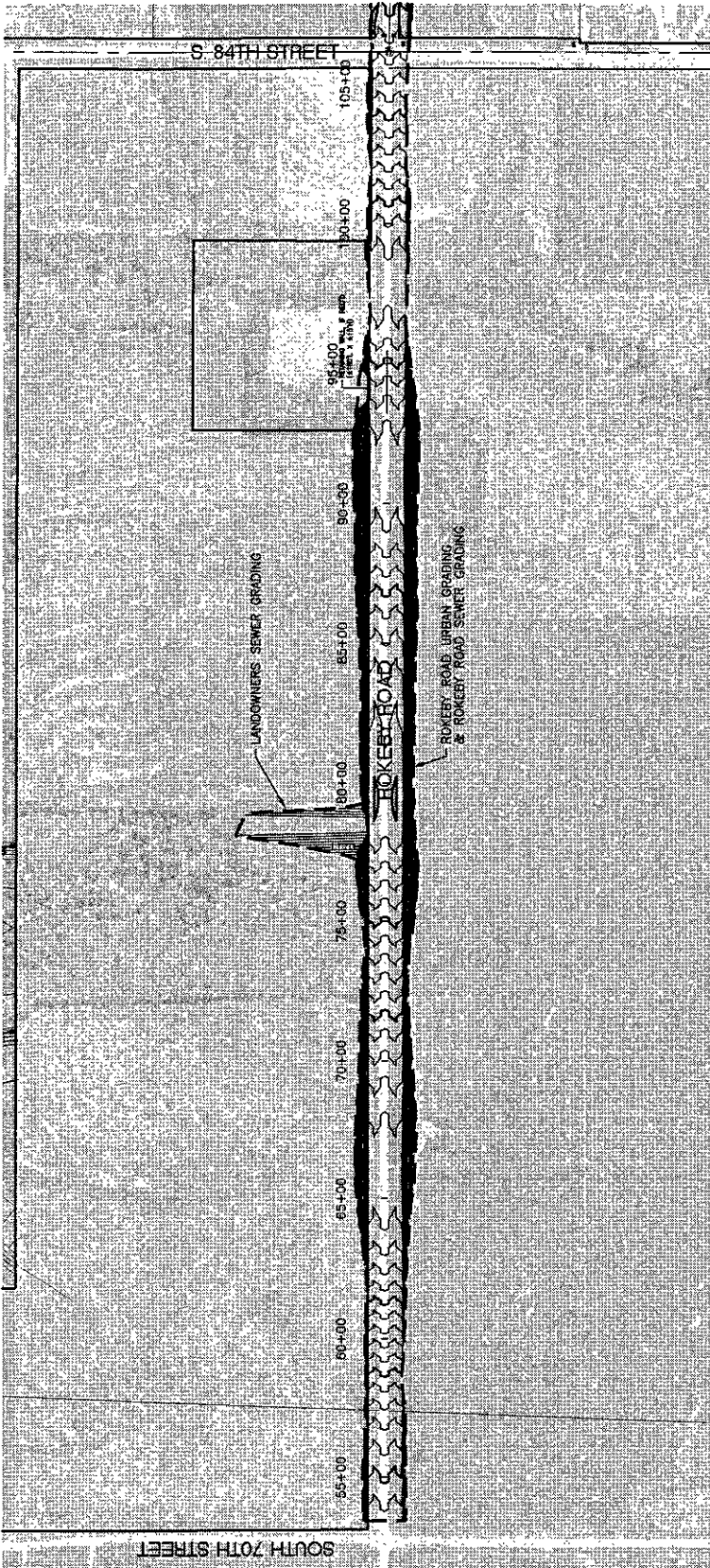
EXHIBIT

6-1



ROKEBY ROAD PROJECT - GRADING PROFILE  
 (CONCEPTUAL DESIGN SUBJECT TO CITY APPROVAL & FINAL DESIGN)

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drawn by: djr  
 checked by: mte  
 project no.: 2005-0020  
 date: 05/30/2006

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 S 84 AND ROKEBY RD.  
 LINCOLN, NEBRASKA

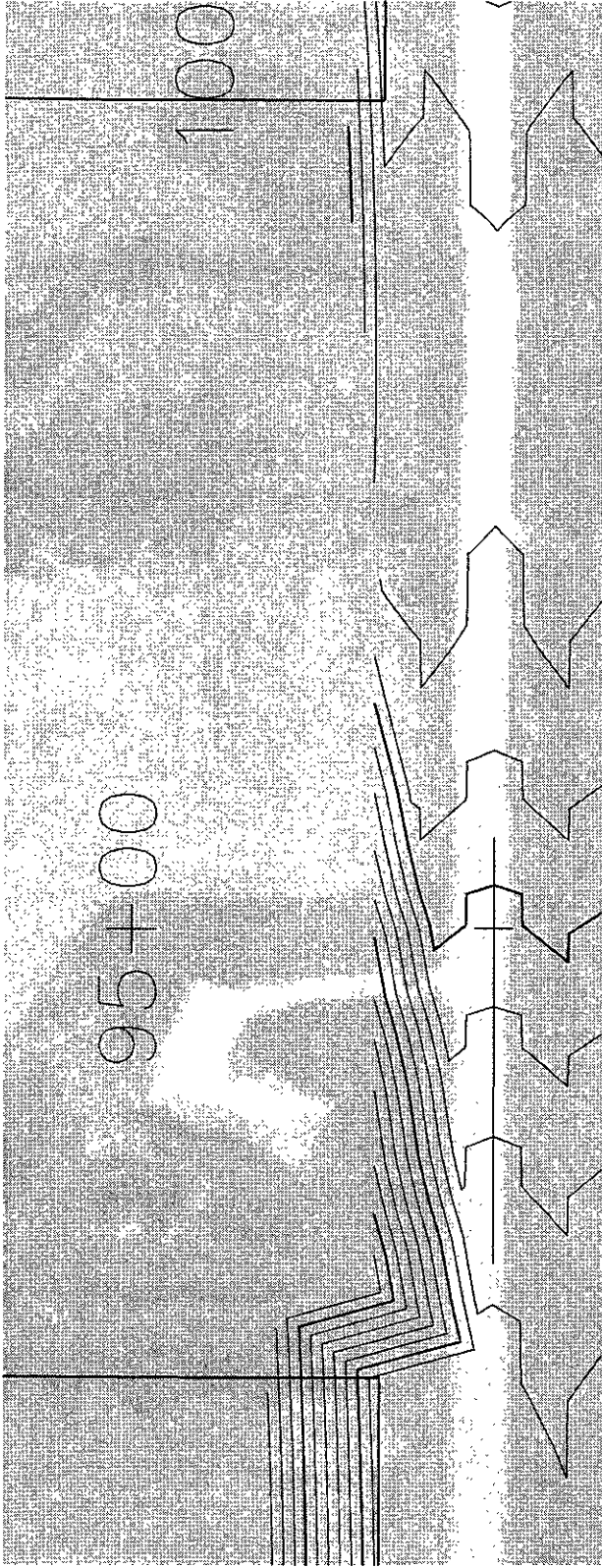
**C** Civil Design Group, Inc.  
 3901 Normal Blvd, Suite 203  
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EXHIBIT  
 6-2

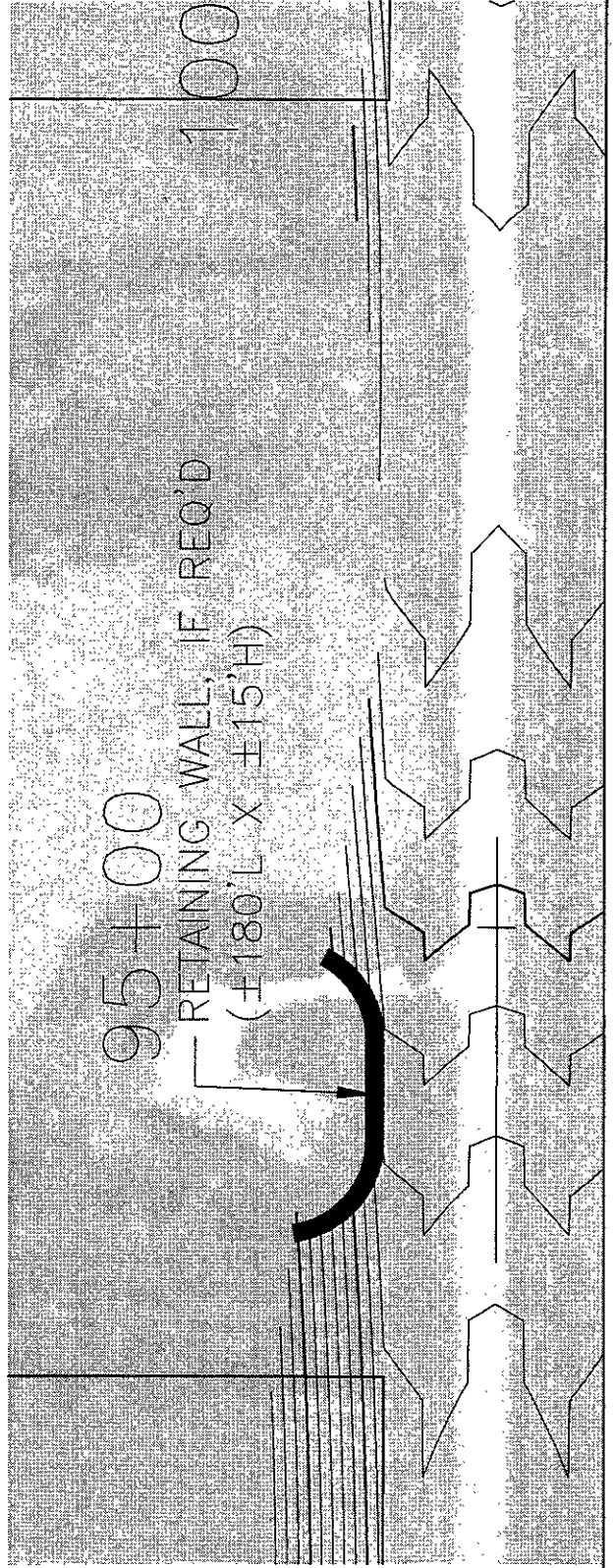
ROKEBY ROAD PROJECT - RETAINING WALL  
 (CONCEPTUAL DESIGN SUBJECT TO CITY APPROVAL & FINAL DESIGN)

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OPTION 1 - GRADING ROKEBY WITHOUT RETAINING WALL



OPTION 2 - GRADING ROKEBY WITH RETAINING WALL



drawn by: djr  
 checked by: mte  
 project no.: 2005-0020  
 date: 05/30/2006

DEVELOPMENT AGREEMENT  
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EXHIBIT

6-3



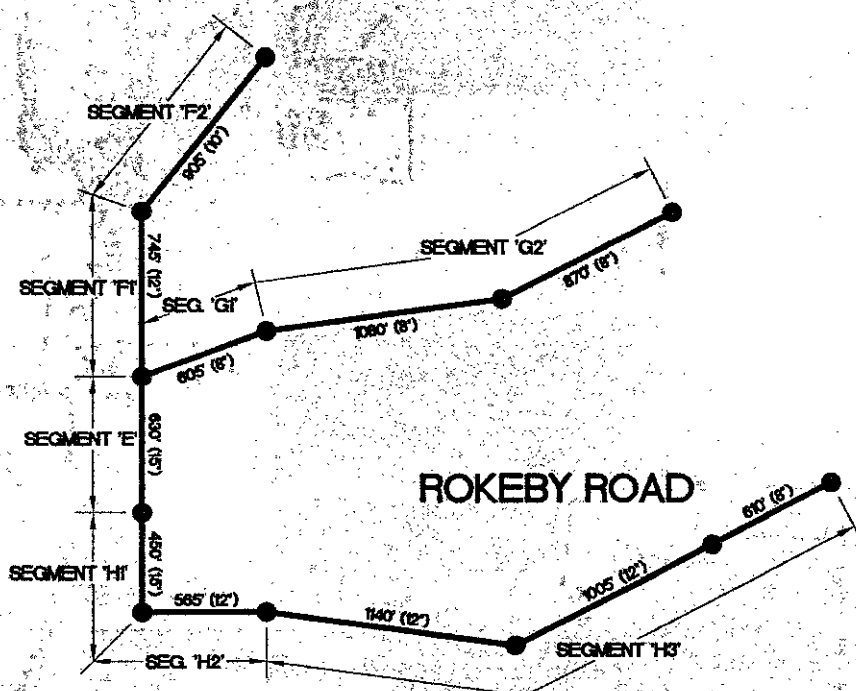




COALITION SEWER PROJECT  
(CONCEPTUAL DESIGN SUBJECT TO CITY APPROVAL & FINAL DESIGN)

YANKEE HILL ROAD

S. 84TH STREET



ROKEBY ROAD



drawn by: djr  
 checked by: mte  
 project no.: 2005-0020  
 date: 05/26/2006

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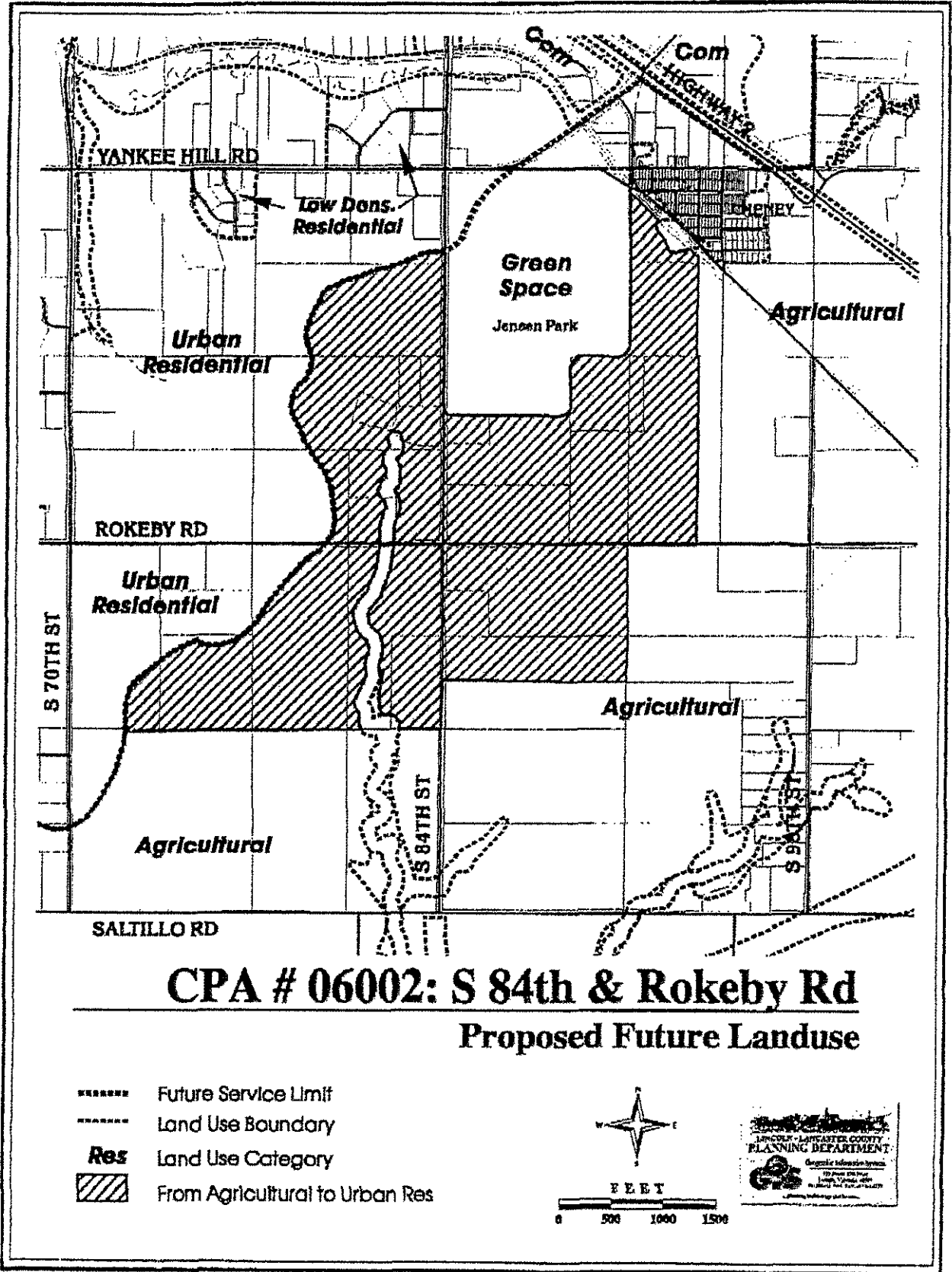
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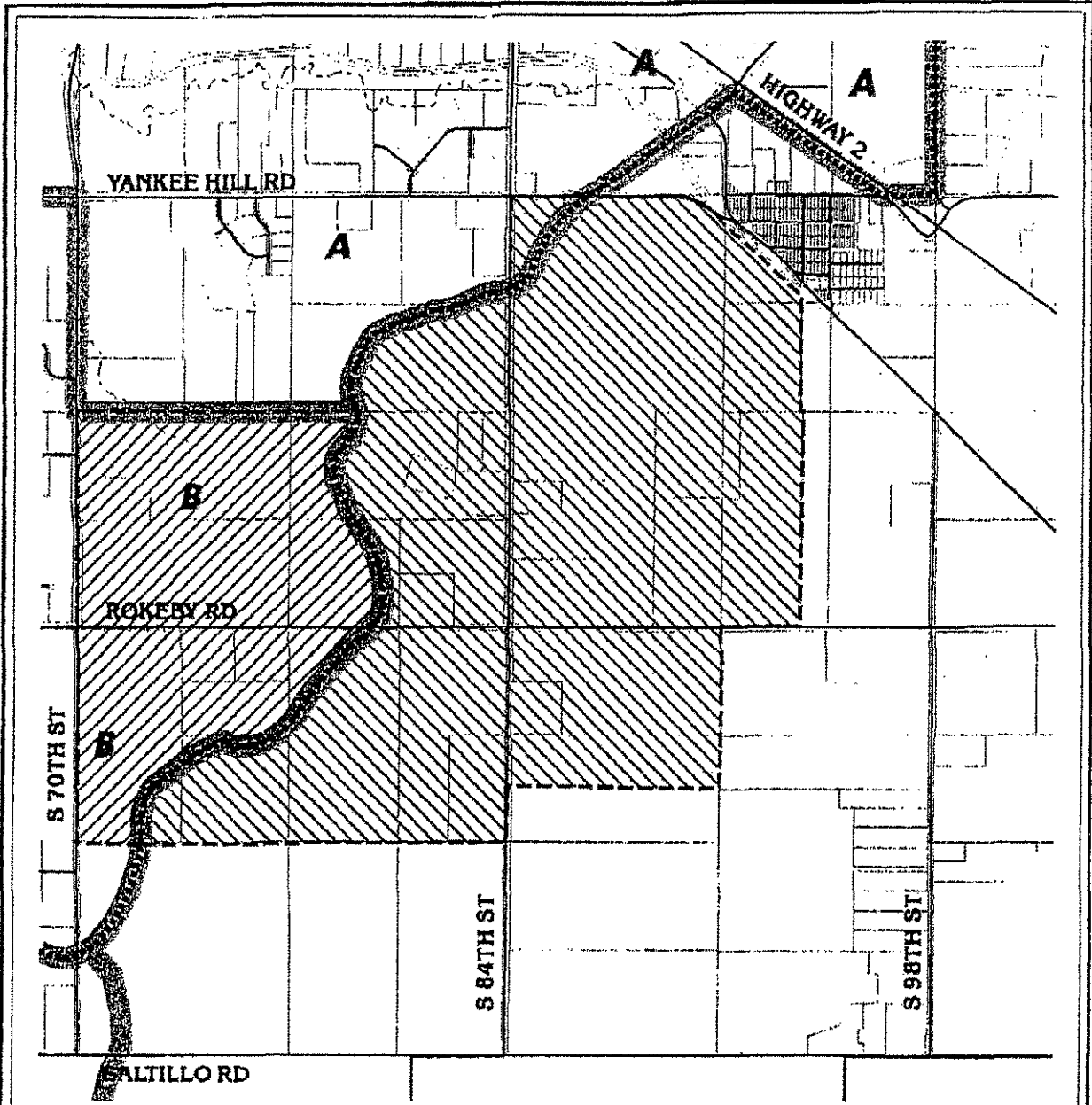
EXHIBIT

8

Exhibit 9

Comprehensive Plan Amendments





## CPA # 06002: S 84th & Rokeby Rd

### Proposed Priority & Tier Designations

- Future Service Limit
- ▨ Priority Area Boundary
- A** Existing Priority Designation
- ▨ From Tier I Priority B to Tier I Priority A
- ▨ From Tier II to Tier I Priority A

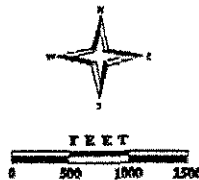


Exhibit 10

Landowner Sewer Project Time Frame

Trunk Sewer Segment	Segment's Drainage Area	Earliest Required Funding Date*	Latest Required Funding Date*	Responsible Landowner Who is Responsible to Construct the Segment	Benefiting Landowners Whose Land Will Be Served by the Segment
Segment C	<u>120</u>	<u>Plus 2</u> <u>years</u>	<u>Plus 5</u> <u>years</u>	<u>#1) Northern Lights</u> <u>3800 Normal, AT</u>	<u>#2) Talcott Farms</u> <u>#3) Catholic Bishop</u>
Segment D	<u>86</u>	<u>Plus 3</u> <u>years</u>	<u>Plus 6</u> <u>years</u>	<u>#3) Catholic Bishop</u> <u>#2) Talcott Farms</u>	<u>#3) Catholic Bishop</u> <u>#5) CWT, M &amp; CT</u>
Segment E	<u>40</u>	<u>Plus 5</u> <u>year</u>	<u>Plus 8</u> <u>year</u>	<u>#5) M &amp; CT</u> <u>#6) M. Talcott, Inc.</u>	<u>#5) M &amp; CT</u> <u>#6) M. Talcott, Inc</u>
Segment F1	<u>53</u>	<u>Plus 6</u> <u>years</u>	<u>Plus 9</u> <u>years</u>	<u>#6) M. Talcott, Inc.</u>	<u>#7) D. U., #8) Smith</u> <u>#6) M. Talcott, Inc.</u>
Segment F2	<u>92</u>	<u>Plus 7</u> <u>years</u>	<u>Plus 10</u> <u>years</u>	<u>#8) Smith</u>	<u>#9) Daharsh Trustees</u> <u>#10a) M &amp; CT Trustees</u>
Segment G1	<u>30</u>	<u>Plus</u> <u>7years</u>	<u>Plus 10</u> <u>years</u>	<u>#6)M. Talcott, Inc.</u>	<u>#10, Marquardt Group 1</u> <u>#11a) Marquardt Group</u> <u>2</u>
Segment G2	<u>47</u>	<u>Plus 7</u> <u>years</u>	<u>Plus 10</u> <u>years</u>	<u>#11a) Marquardt</u> <u>Group 2</u>	<u>#11a) Marquardt Group</u> <u>2</u> <u>#12b) M &amp; CT Trustees</u>
Segment H1	<u>62</u>	<u>Plus 5</u> <u>years</u>	<u>Plus 8</u> <u>years</u>	<u>#3) Catholic Bishop</u>	<u>#3) Catholic Bishop</u> <u>#4) CWT</u>
Segment H2	<u>50</u>	<u>Plus 6</u> <u>years</u>	<u>Plus 9</u> <u>years</u>	<u>#3) Catholic Bishop</u>	<u>#13) CWT</u> <u>#14) Talcott Land</u>
Segment H3	<u>133</u>	<u>Plus 7</u> <u>Years</u>	<u>Plus 10</u> <u>Years</u>	<u>#14) Talcott Land</u>	<u>#11b) Marquardt Group</u> <u>2</u> <u>#14) Talcott Land</u> <u>#12c) M &amp; CT Trustees</u> <u>#15) M Talcott Trustee</u>

\* The base year for determining the Earliest Required Funding Date or Latest Required Funding Date shall be the year that Segment B is substantially completed as

determined by the City of Lincoln and Plus \_\_\_ Year shall mean the segment shall be completed on or before the \_\_\_ year anniversary date of the substantial completion of Segment B. For example, under the column labeled Earliest Required Funding Date, Plus 5 Years shall mean the earliest required funding for the segment shall be on or before the fifth anniversary date of the substantial completion of Segment B.