

SUPERVISORY PROPERTY
MANAGEMENT AGREEMENT

GEORGIAN PLACE
Lincoln, Nebraska

This Supervisory Property Management Agreement ("Agreement") is made this 27th day of October, 1983, by and between Georgian Place Association, Inc., a Nebraska corporation ("Association") and Devco Investment Corporation, a Nebraska corporation ("Agent" and "Developer"). The terms used herein shall have the meanings stated in Section 76-801 Neb. Rev. Stat. (Revised 1981), as amended ("Condominium Property Act"), and the Master Deed as amended and recorded in the office of the Register of Deeds of Lancaster County, Nebraska, unless otherwise defined or unless the context otherwise requires.

WHEREAS, the Agent as the Developer is in the process of constructing 49 residential condominium apartment units and completing the renovation of certain general common elements and limited common elements in an eleven-story structure located at 139 North 11th Street, Lincoln, Nebraska, known as "Georgian Place," more particularly described to-wit:

Parcel One of Lot A, Imhoff and Hyatts Subdivision of
Lots 1, 2 and 3, Lincoln, Lancaster County, Nebraska,

together with the building and improvements thereon (collectively referred to as "Property"); and

WHEREAS, under the provisions of the Master Deed for Georgian Place and the Association's Bylaws, the Association has the power to delegate certain powers and authority to a management agent; and

WHEREAS, the Developer and the YMCA desire that the Association employ the Agent to manage the condominiums and the Agent desires to be employed to manage Georgian Place, including the Association's property, as well as certain affairs of the Association as defined herein (collectively referred to as "Condominium");

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein and other valuable consideration, the parties agree as follows:

1. Agent Employment and Terms. The Association hereby employs the Agent exclusively to manage the Condominium for a period beginning on the date of this Agreement and continuing thereafter until June 30, 1989. The Agent agrees to manage the Condominium to the extent, for the period and upon the terms herein provided.

2. Termination. If the Agent shall fail to perform the duties and responsibilities as set forth herein, after being given 30 days' written notice to cure, the Association may, upon 90 days' written notice, cancel this Agreement. If the Association or the Association's Board of Administrators ("Board") shall fail to perform the duties and responsibilities as set forth herein, after being given 30 days' written notice to cure, the Agent may, upon 30 days' written notice, cancel this Agreement.

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3. Delegation of Association Authority. The Association and Board delegate to the Agent, and the Agent agrees to perform, the following services in the name of and on behalf of the Association and Board.

(a) The Agent shall collect the receipts for all monthly assessments and other charges due to the Association for operation of the Condominium and all rental or other payments from concessionaires, if any, provided that the Agent shall have no responsibility for collection of delinquent assessments or other charges except sending notices of delinquency.

(b) The Agent shall maintain records showing all its receipts and expenditures relating to the Condominium and shall promptly submit to the Board a cash receipts and disbursements statement for the preceding month and a statement indicating the balance in the operating account for the Board on or before the twenty-first (21st) day of the following month.

(c) The Agent shall prepare and submit to the Board, on or before November 1 of each year (unless the Board chooses a different date), a recommended budget for the next year showing anticipated receipts and expenditures for such year.

(d) Within forty-five (45) days after the end of each calendar year, the Agent shall submit to the Association a summary of all receipts and expenditures relating to the Condominium for the preceding year, provided that this service shall not be construed to require the Agent to prepare tax returns for the Association. Any tax returns required by the Association shall be prepared at the Association's expense by accountants of the Board's selection.

(e) The Agent shall manage, operate and maintain the Property in a first class condition as provided in paragraph 5 of this Agreement.

(f) On the basis of the budget approved by the Association and the job standards and wage rates previously approved by the Board, the Agent shall hire, pay, supervise and discharge any personnel required to maintain and operate the Condominium properly. All such personnel (except the Manager as defined herein) shall be independent contractors or employees of the Association and not of the Agent. All salaries, taxes and other expenses payable on account of such independent contractors or employees shall be operating expenses of the Association.

(g) The Agent shall execute and file all returns and other instruments and do and perform all acts required of the Association as an employer under Federal, state or local laws now or hereinafter in force with respect to wages paid by the Agent on behalf of the Association and in connection therewith. The Association and Board agree upon request to execute and deliver promptly to the Agent all necessary powers of attorney, notices of appointment and the like.

(h) Subject to the direction of the Board, the Agent shall negotiate and execute on behalf of the Association and Board contracts for water, electricity, gas, telephone and such other services for the Property as

may be necessary or advisable. The Agent shall also purchase and contract on behalf of the Association such equipment, tools, appliances, materials and supplies as are necessary for the proper operation and maintenance of the Property. All such purchases and contracts shall be in the name and at the expense of the Association.

(i) The Agent shall pay from the funds of the Association all taxes, building and elevator inspection fees, use charges or other assessments and other governmental charges, and all other charges or obligations incurred by the Association and Board with respect to the maintenance or operation of the Property or incurred by the Agent on behalf of the Association pursuant to the terms of this Agreement or pursuant to other authority granted by the Association or the Board to the Agent.

(j) The Agent shall assist in the solicitation of current insurance quotes and shall maintain appropriate records of all insurance coverage carried by the Association. The Agent shall cooperate with the Association and Board in investigating and reporting all accidents or claims for damage relating to the ownership, operation and maintenance of the Condominium including any damage or destruction thereto.

(k) The Agent shall coordinate the operation of the rental pool ("Rental Pool") with the affairs of the Association.

(l) The Association delegates to the Agent all other proper and necessary authority for cleaning, painting, redecorating, replacing, repairing, maintaining and operating the Condominium.

4. Limitations on Expenditures. In discharging Agent's responsibilities under Paragraph 3 hereof, the Agent shall not make any expenditure nor incur any non-recurring contractual obligation exceeding Two Thousand Five Hundred Dollars (\$2,500.00) without the prior consent of the Board or prior inclusion in a budget approved by the Board, provided that no such consent shall be required to repay any advances made by the Agent under the terms of paragraph 13. Notwithstanding the limitations imposed by the preceding sentence, the Agent may, on behalf of the Association and Board without prior consent, expend any amount, or incur a contractual obligation in any amount, as the Agent shall deem appropriate to deal with emergency conditions which may involve a danger to life or Property or may threaten the safety of the Property or the Owners and occupants or may threaten the suspension of any necessary service to the Property.

5. Scope of Services. The Association, by execution of this Agreement, acknowledges its willingness to have the Property managed, operated and maintained in a first-class condition. At the expense of the Association, the Agent shall cause the Class "C" Property (common elements) and Class "A"-Limited Property (residential limited common elements) (as both terms are specifically defined in the Master Deed) to be managed, operated and maintained according to appropriate first-class standards including, but not limited to, cleaning, painting, redecorating, replacement, repairs and maintaining interior and exterior walls, windows, doors, support columns, floors, roof, attic space, penthouse space, chairs, hallways, stairways, lobbies, elevators, security system, heating, ventilation and air conditioning

equipment, and other Condominium equipment, including capital expenditures and items, as may be necessary.

The Agent is given no authority or responsibility under this Agreement for the management, operation and maintenance of Class "A" Property (residential units), Class "B" Property (YMCA unit), or Class "B"-Limited Property (YMCA limited common elements) (as those three terms are specifically defined in the Master Deed), unless such management, operation and maintenance in those areas is incidental and necessary to carry out the management, operation and maintenance of the Class "C" Property or the Class "A"-Limited Property. Under separate agreement(s), the Agent may at its discretion contract for the management, operation or maintenance of Class "A" Property, Class "B" Property or Class "B"-Limited Property with the owners thereof.

6. Authorized Individual. The Board shall designate one or more individuals, not to exceed three, who shall be authorized to advise and deal with the Agent on any matter relating to the management of the Condominium ("Authorized Individual"). The Agent is directed not to accept directions or instructions with regard to the management of the Condominium from anyone else except the Board and the Authorized Individual. In the absence of any other designation by the Board, the President of the Board shall be the Authorized Individual.

7. Provision of Manager. The parties agree that one of the Agent's employees, at Agent's expense, shall be designated "Manager" for the Condominium and that the management of the Condominium shall be the Manager's responsibility. The Manager shall, upon not less than forty-eight (48) hours' notice, attend a maximum of 13 meetings per calendar year of the Board or the Association as requested. The Manager shall assist the Association in the handling of meetings, including the keeping of records, if requested to do so. The Association shall provide the Manager with an office which may also be used for the operation of the Rental Pool. The costs of telephone service, maintenance, other utilities, office supplies, reproduction expenses, and such other office, managerial and out-of-pocket expenses associated with the Association operations shall be part of the Class "A" Limited Property expense except that any cost directly associated with the Rental Pool shall be the expense of the Unit Owners who are participating in the Rental Pool. The Agent at its expense will supply office furnishings and equipment for its own use in carrying out its responsibilities herein, and such office furnishings and equipment shall remain the property of the Agent at the termination of this Agreement.

8. Payment for Recurring Routine Services. The Association shall pay the Agent a management fee of \$18,000 annually, payable in 12 monthly installments of \$1,500, beginning on the first day of the month in which the first residential unit in the Property is occupied ("Association Management Fee"). This Association Management Fee shall increase at 8% per annum for each calendar year beginning on or after January 1, 1985.

No further fees shall be charged by the Agent for its services pursuant to paragraph 3 and the other services of the Manager's professional staff, except as expressly provided in this Agreement. Any salaries and taxes paid for the employment of a part-time Assistant Manager by the Association shall

be credited against the Association Management Fee, to the extent that services performed by the Assistant Manager are in connection with the carrying out of the responsibilities of the Agent as set forth in this Agreement. Such Assistant Manager shall be hired at the option of the Agent only.

9. Payment for Non-Routine Services. Agent shall maintain an availability for services related to certain non-routine activities for which the need may or may not arise. Non-routine services shall be performed only with the prior authorization of the Board or an Authorized Individual designated by the Board to issue such authorization. Non-routine services may include, without limitation, the following:

- (1) Participation in legal actions involving the Association or Board.
- (2) Attending in excess of 13 Association or Board meetings per calendar year.
- (3) Administering insurance claims and proceeds in cases involving property damage or personal injury items covered under the Association's insurance policies.

Charges for services performed under this paragraph shall be (i) at rates mutually agreed upon by Agent and the Association at the time work is authorized, or (ii) at \$35.00 per professional hour expended unless otherwise determined.

10. Custodial Account. The Agent agrees that all moneys and receipts collected by it on behalf of the Association shall be deposited in an account or accounts in the name of the Association ("Custodial Account"), separate and apart from Agent's own funds, in a state or national bank where deposits are insured by the federal government. Any interest paid on such accounts shall be payable to the Custodial Account.

Association hereby appoints the Agent as Association's true and lawful attorney-in-fact, coupled with an intent to pay, by check or otherwise, the Association expenditures as authorized herein, at any time from the Custodial Account without prior notice to the Association or the Board.

11. Audit. At the Board's direction Agent will engage an independent certified public accountant(s) to produce annual audited financial statements for the Association. Any audit required by this Agreement or the Association or Board shall be prepared at the Association's expense by accountant(s) of the Board's selection.

12. Association's Liabilities. Association authorizes Agent to deduct from the Association's income, receipts and assessments the Association's liabilities in the following order: Association Management Fee; salaries and any other compensation due and payable to the employees or to independent contractors hired pursuant to the authority herein contained; any taxes payable; insurance premiums; sums otherwise due and payable as operating expenses authorized to be incurred under the terms of this Agreement or otherwise; the amounts specified in any approved operating budget for allocation including any reserve fund for replacements or to any other reserve account (hereinafter referred to individually and collectively as "Association's

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Liabilities"). If the Association Custodial Account is insufficient to fully defray the Association's Liabilities, the Association shall make assessments against the Units as provided by the Nebraska Condominium Property Act and the Master Deed.

13. Advancement of Funds. The Agent shall have no obligation whatsoever to advance funds to the Association. At Agent's option, however, the Agent may advance funds to the Association who shall pay interest on such advances at the rate of 16% per annum.

14. Structural Changes. The Agent shall have no authority to make any structural changes in the Property or to make any other major alterations or additions in or to the building or equipment therein, except such emergency repairs as may be required because of danger to life or Property, or which are immediately necessary for the preservation and safety of the Property of the Owners and occupants, or are required to avoid the suspension of any necessary service to the Property as provided for in paragraph 4, or are included in a budget approved by the Board.

15. Governmental Authority. The Agent is given no responsibility for compliance of the Property or any of its equipment with the requirements of any ordinances, laws, rules, or regulations (including those relating to the disposal of solid, liquid and gaseous wastes) of the City, County, State or Federal Government, or any public authority or official thereof having jurisdiction over it, except to notify the Board promptly, or forward to the Board promptly, any complaints, warnings, notices, or summonses received by it relating to such matters. The Association represents that to the best of their knowledge the Property complies with all such requirements, and authorizes the Agent to disclose the ownership of the Property to any such officials, and agrees to indemnify and hold harmless the Agent, its representatives, servants and employees, of and from all loss, cost, expense and liability whatsoever which may be imposed on them or any of them by reason of any present or future violation or alleged violation of such laws, ordinances, rules or regulations.

16. Additional Agreements. The Association further agrees:

(a) To indemnify, defend and save the Agent harmless from all suits in connection with this Agreement or the Condominium and from liability for damage to Property and injuries to or death of any employee, independent contractor, Owner, occupants, tenants, guests, trespassers or other person whomsoever, except for Agent's intentional tortious acts or for breach of duties constituting gross negligence.

(b) To carry at Association's own expense public liability, property and workmen's compensation insurance naming the Association and the Agent, adequate to protect their interests, in form, substance and amounts reasonably satisfactory to the Agent, and to furnish to the Agent certificates evidencing the existence of such insurance. Unless the Association shall provide such insurance and furnish such certificate within thirty days from the date of this Agreement, the Agent may, but shall not be obligated to, place said insurance and charge the cost thereof to the Custodial Account of the Association.

(c) To pay all expenses incurred by the Agent including, without limitation, attorneys' fees for counsel employed to represent the Agent or the Association in any proceeding or suit involving an alleged violation by the Agent or the Association, or both, of any constitutional provision, statute, ordinance, law or regulation of any governmental body pertaining to labor, environmental protection, fair housing or fair employment including without limitation, those prohibiting or making illegal discrimination on the basis of race, creed, color, religion or national origin in the sale, rental or other disposition of housing or any services rendered in connection therewith or in connection with employment practices (unless, in either case, the Agent is finally adjudicated to have personally and not in a representative capacity violated such constitutional provision, statute, ordinance, law or regulation), but nothing herein contained shall require the Agent to employ counsel to represent the Association in any such proceeding or suit.

The Association's obligation under this paragraph 16 shall include the payment of all settlements, judgments, damages, liquidated damages, penalties, forfeitures, back pay awards, court costs, litigation expense and attorneys' fees.

17. Governmental Violations. In the event it is alleged or charged that the Property or any equipment therein or any act or failure to act by the Association or Board with respect to the Property or the sale, rental or other disposition thereof or the hiring of employees to manage it fails to comply with, or is in violation of, any of the requirements of any constitutional provision, statute, ordinance, law or regulation of any governmental body or any order or ruling of any public authority or official thereof having or claiming to have jurisdiction thereover, and the Agent in its sole and absolute discretion considers that the action or position of the Association or Board with respect thereto may result in damage or liability to the Agent, the Agent shall have the right to cancel this Agreement at any time by written notice to the Board of its election so to do, which cancellation shall be effective upon the service of such notice. Such cancellation shall not release the indemnities of the Association set forth in paragraphs 15 and 16 above and shall not terminate any liability or obligation of the Association to the Agent for any payment, reimbursement or other sum of money then due and payable to the Agent hereunder.

18. Liability Limitations. The Agent shall not under any circumstances be liable under or by reason of this Agreement either directly or indirectly for any accident, injury, breakage or damage of any machinery, equipment or appliances not attributable to the action or inaction of the Agent or any of its agents; nor shall it be held responsible for any loss, damage, detention or delay in furnishing materials or failure to perform its duties as herein provided when such is caused by fire, flood, strike, acts of civil or military authorities or by insurrection or riot, or by any other cause, legal impossibility or legal frustration.

19. Notices. All notices regarding this Agreement shall be in writing and mailed postage prepaid to:

Association

OR

Agent

President, Board of Directors
Manager's Office
Georgian Place
139 North 11th Street

Devco Investment Corporation
4616 Pierce Drive
P.O. Box 4595
Lincoln, Nebraska 68504

as the case may be.

Notice shall be effective upon hand delivery or three days after the postmark date, except for notice of change of address which shall be effective upon receipt.

20. Assignment. Agent may assign all or parts of its rights and delegate its obligations and authorities under this Agreement and Agent shall remain liable to the Association for such assignments and delegations.

21. Successors and Assigns. All of the grants, obligations, covenants, agreements, terms, provisions and conditions herein shall bind and inure to the benefit and burden of all parties hereto, their successors and assigns.

22. Governing Law. All aspects of this Agreement shall be governed by the laws of the State of Nebraska.

23. Interest. If any stated rates of interest herein exceed the lawful rate of interest at any time, the interest rate charged herein shall then be the highest rate of interest allowable by law at that time.

24. Severability. In the event any provisions of this Agreement or the application thereof to a Unit Owner or any other persons or circumstances shall, to any extent, be held by a court of competent jurisdiction to be held invalid or unenforceable, the remainder of this Agreement or the application of such provision or provisions to a Unit Owner or such other persons or circumstances other than those as to whom or which it is held invalid or unenforceable shall not be affected thereby and each and every provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

25. Entire Agreement. This Agreement contains the entire agreement of the parties. This Agreement cannot be modified or altered unless reduced to writing and consented to by all the undersigned parties. This Agreement and any modifications or memoranda thereof, may be recorded.

26. Number and Gender. Whenever used herein, the singular number shall include the plural, the plural the singular, and the use of any gender shall be applicable to all genders.

The Association and Agent have executed this Supervisory Property Management Agreement on the day and year first above written.

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"Association"
 Georgian Place Association, Inc.,
 a Nebraska corporation

By Mark D. Arter
 Title Secretary

By Richard S. Wright
 Title and Vice President

[SEAL]

"Agent" and "Developer"
 Devco Investment Corporation,
 a Nebraska corporation

Attest:

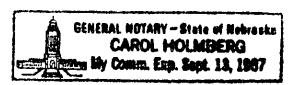


By Mark D. Arter
 Title Vice-President

By Dean E. Arter
 Title PRESIDENT

STATE OF NEBRASKA)
) ss.
 COUNTY OF LANCASTER)

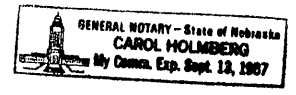
The foregoing instrument was acknowledged before me this 27th day of October, 1983, by Mark D. Arter, Richard S. Wright of Georgian Place Association, Inc., a Nebraska corporation, on behalf of the corporation.



Carol Holmberg
 Notary Public

STATE OF NEBRASKA)
) ss.
 COUNTY OF LANCASTER)

The foregoing instrument was acknowledged before me this 27th day of October, 1983, by Mark D. Arter, Dean E. Arter of Devco Investment Corporation, a Nebraska corporation, on behalf of the corporation.



Carol Holmberg
 Notary Public

APPROVAL

The Young Men's Christian Association of Lincoln and Lancaster County, a Nebraska non-profit corporation, herein called "YMCA", for itself, its successors and assigns hereby approves the Supervisory Property Management Agreement as the Unit Owner of Unit 101 of the Condominium and as an Administrator of the Board of Administrators of Georgian Place Association, Inc.

Young Men's Christian Association of Lincoln and Lancaster County, a Nebraska corporation

Attest:

By Christie Schwartzkopf
Title Secretary

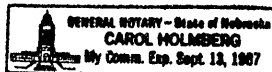
By [Signature]
Title President

[SEAL]

STATE OF NEBRASKA)
) ss.
COUNTY OF LANCASTER)

Before me, the undersigned authority, this day personally appeared Christie Schwartzkopf and Darrell K. Stock, respectively, as Secretary and President of The Young Men's Christian Association of Lincoln and Lancaster County, a Nebraska non-profit corporation, and each to me well known to be such officers of such corporation, and they severally acknowledged before me that they executed the foregoing Approval to the Supervisory Property Management Agreement freely and voluntarily for the uses and purposes therein mentioned and intended and with full and specific authority of the Board of Directors of said corporation in that behalf.

Witness my hand and official seal this date: October 27, 1983



Carol Holmberg
Notary Public

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LANCASTER COUNTY REGISTER

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REGISTER OF DEEDS

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