

**CENTERPOINTE, INC.  
REDEVELOPMENT AGREEMENT**

THIS AGREEMENT is entered into as of the \_\_\_\_ day of \_\_\_\_\_, 2003, by and between the CITY OF LINCOLN, NEBRASKA, a municipal corporation (hereinafter referred to as "City") and CenterPointe, Inc., a Nebraska non-profit corporation incorporated in the state of Nebraska, hereinafter referred to as "Redeveloper."

**RECITALS**

WHEREAS, The City has undertaken a program for the redevelopment of blighted and substandard areas in the City of Lincoln, Nebraska, and as part of that program the City has prepared and approved The North 27<sup>th</sup> Street Corridor and Environs Redevelopment Plan (Redevelopment Plan) providing for redevelopment in the City of Lincoln in the vicinity of North 27<sup>th</sup> and P Streets, 26<sup>th</sup> to 27<sup>th</sup> Streets, a copy of which, together with any and all amendments thereto, is on file in the Office of the City Clerk of the City (City Clerk); and

WHEREAS, the City is the owner of the real estate generally known as Lot 1, Kinney's O Street Addition, Lancaster County, Nebraska (Project Site) as shown on Attachment "A" which is attached hereto and incorporated herein by this reference, and is prepared to obtain title to the remainder pursuant to and as defined in Section 201; and

WHEREAS, CenterPointe, Inc. is or will become owner of the remainder of the Project Site as shown on Attachment "A" and incorporated herein; and

WHEREAS, CenterPointe, Inc. will redevelop the site to create a 15,000 square foot building designed for a 20 bed adult residential treatment program and administrative offices, including parking and related uses as provided in this Agreement; and

WHEREAS, the City will acquire the CenterPointe Property and together with the City Property shall prepare the parcels as a single redevelopment site including necessary demolition of the existing structure, site preparation and conveyance to CenterPointe, Inc. for redevelopment as provided herein.

WHEREAS, on August 20, 2003, CenterPointe, Inc. submitted a Proposal for Redevelopment to the City (Proposal for Redevelopment), in response to the City's Request for Proposals, Specification No. 03-199, with respect to the redevelopment of the Project Site; and

WHEREAS, the City and Redeveloper desire to enter into this Agreement to implement the redevelopment of the Project Site for the purposes in accordance with the Redevelopment Plan; and

WHEREAS, the City and Redeveloper mutually agree that the redevelopment of the Project Site is in the vital and best interest of the City and is in furtherance of the health, safety, and welfare of its residents, and is in accordance with the public purposes and provisions of applicable laws and requirements under which the Redevelopment Plan has been undertaken.

NOW THEREFORE, for and in consideration of the recitals set forth above and the mutual representations, warranties and covenants set forth below, and other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, and intending to be legally bound, the parties hereto agree as follows:

**ARTICLE I.  
REDEVELOPER'S RESPONSIBILITIES**

**Section 101: Redeveloper's Responsibilities.** The Redeveloper, agrees to accept donation of the Project Site by the City, subject to easements and restrictions of record that are acceptable to the redeveloper including the covenants agreed to be placed according to this Agreement, and to develop the Project Site at its own cost and expense as follows:

A. Private Improvements. The Project Site shall be developed for use by redeveloper as an adult residential treatment facility and administrative offices, consisting of approximately 15,000 square foot building with related improvements including, but not limited to landscaping and parking, which improvements are intended to provide for the employment of approximately 37 employees, subject to economic conditions.

The above described development of the Project Site is hereinafter referred to as "Private Improvements."

B. Construction Development. The Redeveloper has prepared construction plans and specifications (hereinafter the Construction Documents) for the Private Improvements. Such Construction Documents will be submitted to the City's Director of Urban Development for determination of compliance with the North 27<sup>th</sup> Street Corridor and Environs Redevelopment Plan and this Agreement. The Director of Urban Development shall, without exception, have final design review authority to ensure compatibility with other redevelopment projects in the redevelopment area and to ensure the protection and enhancement of the adjacent neighborhood. Final design review authority includes all site improvements including landscaping plans.

C. Changes in Construction Documents. The Redeveloper shall submit any material changes in the Construction Documents for approval or disapproval to the Director of Urban Development. If the Construction Documents, as modified by the proposed change, are deemed by the Director to be in conformity with the North 27<sup>th</sup> Street Corridor and Environs Redevelopment Plan and this Agreement, the Director shall approve the proposed change and notify the Redeveloper in writing of its approval. Otherwise, the Director shall, after receipt of such proposed changes, disapprove the proposed change and shall notify the Redeveloper of the specific areas of wherein such changes are not in conformance with the Project. The Redeveloper may resubmit the changes after correction to eliminate the items of nonconformance.

D. Architect. CenterPointe, Inc. will use the services of Sinclair Hille Architects as Project Architect or another architect acceptable to the City.

**Section 102. Construction of Improvements.** The Redeveloper, at its cost, shall construct the Private Improvements on the Project Site as described above in conformity with the Construction Documents as previously submitted to the Director of Urban Development or any approved changes hereto, made pursuant to Section 101(B) and (C).

**Section 103. Time for Completion of Improvements.** The development and construction of the Private Improvements shall be completed within two (2) years after the Closing Date (as hereinafter defined).

**Section 104. Progress Reports.** The Redeveloper shall make reports in such detail and at such times as may be reasonably requested by the City as to the actual progress of the Redeveloper with respect to construction of the Private Improvements, but such reports shall not be required more frequently than every ninety (90) days.

**Section 105. Redeveloper's Certificate of Completion.**

A. Promptly after completion by Redeveloper of the Private Improvements on the Project Site, as specified above, in accordance with all provisions of this Agreement, the City shall, upon request of such Redeveloper, cause a final inspection to be made of the Private Improvements required to be constructed by the Redeveloper. If the improvements have been completed in conformance with the approved Construction Documents and this Agreement, the City shall issue to Redeveloper a Certificate of Completion, the form of which is attached hereto and marked as Attachment "B." The issuance of the Redeveloper's Certificate of Completion by the City shall be a conclusive determination of satisfaction of the agreements and covenants contained in this Agreement with respect to the obligations of the Redeveloper and its successors and assigns to construct the Private Improvements as shown on the approved Construction Documents and any amendments thereto. As used herein, the term "completion" shall mean substantial completion of the required Private Improvements.

B. The Redeveloper's Certificate of Completion shall be recorded by the Redeveloper in the Office of the Register of Deeds for Lancaster County, Nebraska. If the City shall refuse or fail to issue a Redeveloper's Certificate of Completion after a final inspection has been requested and performed, the City shall, within thirty (30) days provide the Redeveloper with a written statement indicating in what particulars the Redeveloper has failed to complete the Private Improvements in accordance with the provisions of this Agreement or is otherwise in default, and what measures or acts will be necessary, in the opinion of the City, for the Redeveloper to take or perform in order to obtain such certification.

**Section 106. Contractors: Bonds, Insurance, Ability to Perform.**

A. Penal Bond. Any contractors chosen by the Redeveloper to construct any of the Private Improvements on the Project Site shall be required to furnish, prior to commencement of construction, a penal bond in an amount not less than \$10,000 which may be in the form of an AIA payment bond with a corporate surety authorized to do business in the State of Nebraska. Such penal bond will be conditioned upon the Redeveloper's contractor at all times promptly making payment of all amounts lawfully due to all persons supplying or furnishing the contractor or his or her subcontractors with labor or materials performed or used in the prosecution of the work provided for in the construction contract. Proof of such penal bond shall be supplied to the City prior to the construction of the Private Improvements.

If requested by the City, the Redeveloper shall, in addition to such contractor's penal bond, obtain and supply the City with lien waivers from all contractors, subcontractors and suppliers performing any work on the Private Improvements or supplying any goods for construction of the Private Improvements. In the alternative, Redeveloper shall supply the City with endorsements to the Redeveloper's title insurance policy evidencing that all contractors, subcontractors and suppliers performing any work on the Private Improvements or supplying any goods for the construction of the Private Improvements have been paid. In addition, the City shall be entitled to inspect at reasonable times all records of the Redeveloper, or its agents regarding such lien waiver procedures.

B. Insurance. Any general contractor chosen by the Redeveloper, or the Redeveloper itself, shall be required to obtain and keep in force at all times until completion of construction, policies of insurance including coverage for contractors' general liability, standard blasting or explosion, completed operations, worker's compensation and employer liability, and automobile liability. The minimum acceptable limits of liability to be provided by such insurance shall be:

(1) Public Liability Insurance		
Bodily injury	-	\$2,000,000 per person
Damage	-	\$2,000,000 each occurrence
Personal Injury Damage	-	\$2,000,000 each occurrence
Contractual Liability	-	\$2,000,000 each occurrence
Products Liability and Completed Operations	-	\$2,000,000 each occurrence

The Public Liability Insurance required by the preceding paragraph shall include the following extensions of coverage:

- (a) The coverage shall be provided under a Commercial General Liability form or similar thereto.
- (b) X.C.U. Coverage - if the contract requires any work procedures involving blasting, excavating, tunneling, or other underground

work, the liability coverage shall include Standard Blastings or Explosion Coverage, Standard Collapse Coverage, and Standard Underground Coverages commonly referred to as XCU Property Damage Liability.

- (c) The property damage coverage shall include a Broad Form Property Damage Endorsement or similar thereto.
  - (d) Contractual Liability coverage shall be included.
  - (e) Products Liability and/or Completed Operations coverage shall be included.
  - (f) Personal Injury Liability coverage shall be included.
- (2) Automobile Liability Insurance
- |                   |   |                                   |
|-------------------|---|-----------------------------------|
| Bodily Injury and |   |                                   |
| Property Damage   | - | \$2,000,000 combined single limit |
- (3) Workman's Compensation Insurance and Employers' Liability Insurance
- |                      |           |           |
|----------------------|-----------|-----------|
| State                | Statutory |           |
| Applicable Federal   | Statutory |           |
| Employer's Liability |           | \$100,000 |

Any general contractor chosen by the Redeveloper, or the Redeveloper itself, shall be required to purchase and maintain property insurance upon the Project Site to the full insurable value thereof. This insurance shall insure against the perils of fire and extended coverage and shall include "all risk" insurance for physical loss or damage. The general contractor or contractors, or the Redeveloper, as the case may be, shall furnish the City with a Certificate of Insurance evidencing policies as required above. Such certificates shall specifically indicate that the liability insurance includes all extensions of coverage required and shall state that the insurance company or companies shall give the City at least thirty (30) days written notice in the event of cancellation of, or material change in, any of the policies. The City and Redeveloper shall be named as an additional insured on all such policies of liability insurance.

C. Ability to Perform. The Redeveloper, in choosing any contractor for construction of the Private Improvements on the Project Site, the Redeveloper shall consider the contractor's ability to timely perform such contracts.

**Section 107. Evidence of Financial Ability of Redeveloper.** The Redeveloper shall provide to the City evidence of availability of finances necessary for purposes of carrying out the commitment of the Redeveloper in connection with the Proposal for Redevelopment. Such information shall state the amount and source of debt financing which is available, or committed, to the Redeveloper for use in the Proposal for Redevelopment.

Submittal of such financial information to the Director of Urban Development of the City shall be a condition precedent to the City's obligations under Article V of this Agreement.

## ARTICLE II CLOSING

**Section 201. Sale and Purchase.** At Closing (as hereinafter defined), the City shall sell and transfer to Redeveloper the Project Site. In the event that Redeveloper has not otherwise acquired title to that southern portion of Lot 4, Kinney's "O" Street Addition, not currently owned by Redeveloper ("Lot 4 Remainder"), the City shall reserve the right to acquire the Lot 4 Remainder at the Redeveloper's expense, subject to the final approval of the Redeveloper and the City's ability to terminate the agreement.

**Section 202. Right of Entry, Testing and Demolition.** Upon execution of this Agreement, CenterPointe, Inc. shall grant to the City the Right of Entry as shown on Attachment "C," which is attached hereto and incorporated herein, to permit entry upon the CenterPointe, Inc. property for testing and demolition of the existing structures thereon and site preparation in accordance with the assembly of the Project Site provided in this Agreement.

**Section 203. Closing.** The conveyance of the Project Site from the City to the Redeveloper (Closing) shall be consummated on a date mutually agreeable to the City and the Redeveloper (Closing Date).

**Section 204. Title and Possession of Project Site.** At Closing, title to and possession of the Project Site shall be conveyed by the City to CenterPointe, Inc. under the terms and conditions set forth herein. The City shall be responsible for the documentary stamp tax, if any, incurred upon recording the warranty deeds for the Project Site at Closing.

**Section 205. Title Insurance.** The Redeveloper shall obtain a Commitment for an Owner's Policy of Title Insurance (Commitment) to be issued by a title insurance company licensed to do business in the State of Nebraska selected by the Redeveloper (Title Company), pursuant to which the Title Company agrees to issue to the Redeveloper an American Land Title Association (ALTA) Owner's Policy of Title Insurance to provide coverage in the amount of \$225,000. The premium for the title insurance policy issued pursuant to the Commitment (Title Policy) shall be paid by the Redeveloper.

### **Section 206. Closing Documents.**

A. **Deliveries at Closing by the City.** At Closing the City shall deliver to the Redeveloper, and the Redeveloper shall accept from the City, the following:

1. A duly executed and acknowledged warranty deed in form and substance reasonably acceptable to Redeveloper, conveying and assigning to CenterPointe, Inc., good, marketable fee simple title to the Project Site, free and clear of deeds of trust, mortgages, liens, encumbrances, leases,

tenancies, licenses, security interests, prior covenants, conditions, restrictions, judgements, rights-of-way, easements, encroachments and any other matters affecting title, except easements and restrictions of record and the covenants of this Agreement reflected on the plat survey and approved by Redeveloper.

2. Such affidavits, statements and other documents as are reasonably required by the Title Company in order to issue the Title Policy in accordance with the Commitment.

**Section 207. Property Taxes and Assessments.** All real and personal property taxes, special assessments and charges for the year in which Closing occurs shall be prorated as of the date of Closing based on the most current levy rate last used for assessment, and all prior years' taxes, interest and other charges, if any, shall either be exempt or paid in full by the City at or prior to Closing.

**Section 208. Right of First Refusal.** The City shall retain a right of first refusal for any transfer or sale of all or substantially all of Redeveloper's interest in the Redevelopment Site or the improvements thereto. Such right of first refusal shall be valid for a period of 60 days after Redeveloper or its successors or assigns provide written notice of a pending sale to the Mayor. The right of first refusal must be exercised by the Mayor in writing within such 60 day period upon the same terms and conditions of the pending sale as provided to and verified by the Mayor. If the Mayor fails to deliver to Redeveloper a written notice of the exercise of the City's right of refusal within such 60 day period, then the City's right of first refusal shall lapse and be rendered null and void.

**Section 209. Permits and Approval.** Redeveloper agrees to use its best efforts to secure all permits and licenses necessary for its intended use of Redevelopment Site, including, but not limited to, a building permit and applicable permits or licenses. Redeveloper shall be able to erect a sign or signs of the dimension, or type selected by Redeveloper which have been approved by the City. The City shall cooperate and assist Redeveloper in obtaining all such permits, licenses and signs. The City hereby warrants and represents to Redeveloper that Redeveloper shall not be required to pay any impact fee in connection with the construction of the Redeveloper Improvements on the Redevelopment Site.

### ARTICLE III. REPRESENTATIONS

**Section 301. Development of the Project Site.** The Redeveloper represents and agrees that its undertakings, pursuant to this Agreement, have been, are, and will be, for the purpose of redevelopment of such property and not for speculation in land holding.

**Section 302. Speculation Prohibited.** The Redeveloper represents and agrees that its undertakings pursuant to this Agreement have been, are, and will be for the purpose of redevelopment of the Project and not for speculation in land holding.

**Section 303. Restrictions on Assignments of Rights and Obligations.** The Redeveloper represents and agrees that prior to issuance of the Redeveloper's Certificate of Completion by the City, and without the prior written approval of the City, there shall be no sale or transfer of the Redeveloper or assignment of rights or obligations under this Agreement to any party without the prior written approval of the City, other than mortgages and involuntary transfers by reason of death, insolvency, or incompetency. The City shall be entitled to require, except as otherwise provided in this Agreement, as conditions to any such approval, that:

A. Any proposed transferee shall have the qualifications and financial responsibility, as determined by the City, necessary and adequate to fulfill the obligations undertaken in this Agreement by the Redeveloper;

B. Any proposed transferee, by instrument satisfactory to the City and in form recordable in the Office of the Register of Deeds, shall, for itself and its successors and assigns, and for the benefit of the City, have expressly assumed all of the obligations of the Redeveloper under this Agreement and agreed to be subject to all of the conditions and restrictions to which the Redeveloper is subject. No transfer of, or change with respect to ownership in the Redeveloper's interest in the Project Site or any interest therein, however consummated or occurring and whether voluntary or involuntary, shall operate, legally or practically, to deprive or limit the City of or with respect to any rights or remedies or controls provided in or resulting from this Agreement with respect to the Project Site and the construction of the Private Improvements that would have occurred, had there been no such transfer or change;

C. There shall be submitted to the City for review, not less than seven (7) days prior to the proposed execution thereof, all instruments and other legal documents involved in the transfer; and if disapproved by the City, its disapproval shall be indicated to the Redeveloper in writing; and

D. The Redeveloper and its transferees shall comply with such other reasonable conditions as the City may find desirable in order to achieve and safeguard the purposes of Proposal for Redevelopment; provided that in the absence of a specific written agreement by the City to the contrary, no such transfer or approval by the City shall be deemed to relieve the Redeveloper of any of its obligations with respect to the construction of the Private Improvements.

Nothing herein contained shall prohibit the Redeveloper from entering into any agreement to sell or other agreement as to transfer of any interest if such agreement can, by its terms only, become effective after the City has issued a Redeveloper's Certificate of Completion.

**Section 304. Signage.** The City represents and agrees that Redeveloper shall be permitted to place a monument sign at the Project Site and will be compatible and provide continuity with signage used at Pentzer Park at the north end of the redevelopment area, in compliance with applicable law.

**Section 305. Use and Restrictions of the Property.** Redeveloper's intended use of the Project Site shall comply with the Redevelopment Plan and any applicable zoning and local ordinances. This Agreement and the Redeveloper's and the City's respective obligations hereunder shall be contingent upon Redeveloper obtaining the necessary land use approvals, including but not limited to any zone change or special use permit, to enable Redeveloper to use the Project Site for its residential treatment program. The Redeveloper hereby represents and agrees that neither all or any portion of the Project Site shall be used, directly or indirectly, for the operation of 1) any business in which alcoholic beverages are sold for consumption on or off the premises, 2) any outdoor off-premise advertising specifically including billboards, signboards and related structures and appurtenances, 3) any business operated or held out to the public as a sexually oriented business including offering sexually oriented goods and merchandise, services, motion pictures, live entertainment, depictions, telecommunication, internet or similar service, sexually oriented massage parlor or escort service. It is intended that each of the restrictions set forth herein shall run with the land and shall bind every person having any fee or other interest in the Project Site and shall inure to the benefit of the parties hereto and their successors and permitted assigns. The use restrictions set forth in this Section shall survive Closing. At Closing, the Redeveloper shall record permanent covenants against the Project Site with respect to the use restrictions set forth in this Section in the form attached hereto as Attachment "D" attached hereto and incorporated herein by this reference.

**Section 306. Permits and Approvals.** Prior to Closing, Redeveloper agrees to secure all permits and licenses necessary for its intended use of the Project Site including, but not limited to, necessary building permits and inspections.

#### **ARTICLE IV. MORTGAGE FINANCING; RIGHTS OR MORTGAGEES**

**Section 401. Limitation Upon Encumbrance of Property.** Financing of the private improvements is primarily through non-profit/tax exempt bonding. Prior to issuance of the Redeveloper's Certificate of Completion by the City, neither the Redeveloper nor any successors in interest to the Redeveloper shall engage in any additional financing, except for future advances authorized in the aforesaid prior liens, or any other transaction creating

any mortgage or any other encumbrance or lien upon the Project Site, whether by express agreement or operation of law, or suffer any encumbrance or lien to be made on or attached to the Project Site, except for the purposes of obtaining funds only to the extent necessary to construct and develop the Private Improvements on the Project Site, and to finance, operate, maintain and repair the Private Improvements. All such additional mortgages and other encumbrances or liens shall provide that they are subject to the terms and conditions of this Agreement, and shall be recorded in the appropriate public records in a timely manner following their execution.

The Redeveloper or any successors in interest shall notify the City in advance of any additional financing secured by mortgage or similar lien instrument that it proposes to enter into with respect to the Project Site, and shall promptly notify the City of any encumbrance or lien that has been created on or attached to the Project Site whether by voluntary act of any of the Redeveloper or otherwise.

Notwithstanding the above, if any involuntary encumbrance or lien is made on or attached to the Project Site and which is contested by Redeveloper, then Redeveloper may defend against such encumbrance or lien, provided that a sufficient bond, security or title insurance coverage insuring over such encumbrance or lien is posted with the City to permit the City to avoid foreclosure of such encumbrance or lien.

**Section 402. Mortgagee Obligated to Construct.** Prior to the issuance of a Redeveloper's Certificate of Completion and if the holder of any mortgage authorized by this Agreement obtains title to any of the Project Site as a result of foreclosure proceedings or action in lieu thereof, or if any other party obtains title to the Project Site from the holder of any mortgage authorized by this Agreement, and any other party who thereafter obtains title to any of the Project Site from the holder of any mortgage authorized by this Agreement, and any other party who thereafter obtains title to any of the Project Site from or through such holder or purchaser, they shall be obligated by the provisions of this Agreement to construct or to complete the Private Improvements or to guarantee such construction and completion. Any such party shall be obligated to commence construction within two (2) months from the date of acquisition of title by said party as weather permits and to complete construction in accordance with this Agreement within (12) months from the date of such acquisition.

**Section 403. Copy of Notice of Default to Mortgagee.** Whenever the City shall deliver any notice or demand to the Redeveloper with respect to any breach or default by the Redeveloper of its obligations or covenants in this Agreement, the City shall at the same time forward a copy of such notice or demand to each holder of any mortgage authorized by this Agreement at the last address of such holder as shown in the records of the City or as provided by such mortgagee.

**Section 404. Mortgagee's Option to Cure Defaults.** If thirty (30) days after notice or demand with respect to any breach of default as referred to in Section 403, such breach or default remains uncured, each such holder shall (and every mortgage instrument made

prior to issuance by the City of the Redeveloper's Certificate of Completion for the applicable ownership shall so provide) have the right, at its option, to cure or remedy such breach or default within sixty (60) days after the notice or demand as referred to in Section 403, and to add the cost thereof to the mortgage debt and the lien of its mortgage. If the mortgage holder commences efforts to cure the default within such a period and the default cannot, in the exercise of due diligence, be cured within such period, the holder shall have the right to diligently continue to cure the default.

**Section 405. City's Option to Purchase Property.** In any case where the holder of any mortgage obtains title to the Project Site as a result of foreclosure proceedings or action in lieu thereof, prior to issuance by the City of the Redeveloper's Certificate of Completion, the City shall (and any additional mortgage instrument made after the date of this Agreement with respect to the Project Site prior to issuance by the City of the Redeveloper's Certificate of Completion for the applicable ownership shall so provide) be entitled, at its option, to a conveyance to it of the Project Site upon payment to such holder of an amount equal to the sum of:

(1) The mortgage debt at the time of foreclosure or action in lieu thereof (less all the appropriate credits including those resulting from collection and application of rentals and other income received during foreclosure proceedings);

(2) All expense with regard to foreclosure;

(3) The net expense, if any, incurred by such holder in and as a direct result of its subsequent management and operation of the Project Site;

(4) The depreciated cost of any improvement made by such holder;

(5) An amount equal to the interest that would have accrued on the aggregate of such amounts had all such amounts become a part of the mortgage debt and such debt had continued in existence; and

(6) All other reasonable holding costs actually incurred as to the Project Site.

The City's option shall remain in force for ninety (90) days after the date the holder of any mortgage obtains title to the Project Site and notifies the City, unless the City waives the option prior to the end of such 90-day period.

**Section 406. Mortgage Rights Applicable to Other Forms of Encumbrance.** The rights and obligations of this Agreement relating to mortgages of the Project Site prior to issuance of the Redeveloper's Certificate of Completion shall apply to any other type of encumbrance on the Project Site, and any of the state rights, obligations, and remedies of any party relating to mortgage foreclosures shall be applicable to procedures under any

deed of trust or similar method of encumbrance, all of which Redeveloper shall be responsible for duly recording in a timely manner in the public records of Lancaster County, Nebraska.

**Section 407. Termination of Provisions.** The provisions of Article IV shall terminate upon issuance by the City to the Redeveloper the Redeveloper's Certificate of Completion.

## **ARTICLE V. CITY IMPROVEMENTS AND CONTRIBUTIONS**

**Section 501. City Duties.** The City at its own cost and expense shall:

A. Identify for CenterPointe, Inc. the existing public storm and sanitary sewer, and other utility easements on the Project Site as soon as reasonably possible and terminate without additional consideration any utility easements no longer needed no later than the Closing. In the event the City requires any existing utility easement(s) to remain and CenterPointe, Inc., in good faith concludes that the Project can not proceed with said utility easement(s) remaining in place, then CenterPointe, Inc. shall have the right prior to Closing to terminate this Agreement. In the event of termination of this Agreement by CenterPointe, Inc., neither party shall be liable to the other party for damages due to termination, including consequential damages, anticipated income or lost opportunity related to or arising out of this Agreement.

B. Complete, prior to Closing, the necessary, environmental testing, demolition, site preparation and approvals of the City to assemble and prepare the site for the Project and complete transfer of the City Property and CenterPointe, Inc. Property for purposes of constructing the Project, preserving necessary easements and other appropriate use restrictions provided under this Agreement. "Site preparation" shall include preparation, governmental approvals, utility service line(s) shut off and relocation, asbestos removal, demolition, removal, hauling and landfill charges, filling cavities and subsurface holes, including but not limited to building footings, basements, vault space and foundations, and rough site grading in anticipation of the buildings shown on Attachment "E," which is attached hereto and incorporated herein.

Uses and sources of funds are provided in Attachment "F."

**Section 502. Public Improvements.** Upon substantial completion of the Private Improvements, the City, at its sole cost and expense, shall (i) repair and/or replace public sidewalks and damaged public curbs on the Project Site; and (ii) provide the landscaping in public areas required to be installed on the Project Site.

It is understood and agreed that the City shall not be responsible for any of the cost to construct the Private Improvements except as otherwise provided herein.

**Section 503. Contractor; Bond and Insurance.** The City shall select a general contractor or contractors to construct or install the City Improvements described in Section 502 above in accordance with its competitive bidding procedures. Any such general contractor shall be required to provide a performance and payment bond in the amount of the contract, or otherwise enter into a guarantee of payment and performance as may be acceptable to the City. Any such contractor for the City Improvements shall be required to obtain and keep in force at all time until completion of construction policies of insurance, including coverage for contractor's general liability, including Standard Blasting or Explosion coverage, Standard Collapse coverage, Standard Underground coverage, completed operations, and automobile liability. The minimum acceptable limits of liability to be provided by such insurance is bodily injury liability of \$2,000,000 each person, \$1,000,000 each occurrence, property damage liability of \$2,000,000 each occurrence, or combine single limit (bodily injury and property damage) of \$2,000,000 each occurrence. Such insurance shall include the City and Redeveloper as additional insureds. The contractor or contractors shall furnish the City and other insureds with a certificate of insurance evidencing policies as required above. Such certificates shall specifically indicate, that the public liability insurance includes all extensions of coverage required and shall state that the insurance companies shall give the City and the other insureds at least thirty (30) days written notice in the event of cancellation of or material change in any of the policies.

## ARTICLE VI. REMEDIES

**Section 601. In General.** Except as otherwise provided in this Agreement, in the event of any default in or breach of this Agreement, or any of its terms or conditions by the City, the Redeveloper, or any successors to such parties, such party (or successor) shall, upon written notice from the other, proceed immediately to cure or remedy such default or breach, and in any event, such default or breach shall be cured withing thirty (30) days after receipt of such notice, except that if such default or breach cannot, in the exercise of reasonable diligence, be cured within such 30-day period, then the defaulting party within such period shall commence efforts to cure such default and shall diligently continue to cure the same. In case such action is not cured as provided above, the aggrieved party may institute such proceedings as may be necessary or desirable in its option to cure and remedy such default or breach including, but not limited to, proceedings to seek recovery for damages or to compel specific performance by the party in default or breach of its obligation. Any curing of any default or breach by a mortgagee of Redeveloper shall be deemed to be a curing by Redeveloper. Any default or breach which cannot, by its nature, be cured in the time allowed shall be deemed cured if curing is commenced in the time allowed and diligently pursued to completion thereafter.

**Section 602. Other Rights and Remedies; No Waiver by Delay.** The parties hereto shall have the right to institute such actions or proceedings as they may deem desirable for effectuating the purposes of this Agreement. Any delay in instituting or prosecuting any action or proceeding or otherwise asserting its rights under this Agreement shall not operate as a waiver of such rights to deprive a party of or limit such rights in any way.

**Section 603. Delay in Performance For Causes Beyond Control of Party.** For the purpose of any provisions of this Agreement, the City and Redeveloper or their successors or assigns, shall not be considered in breach or default of their obligations in the event of delay in the performance of such obligations due to causes beyond their reasonable control and without their fault, including acts of God, acts of the public enemy, acts of the federal or state government, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, or delays of contractors, or subcontractors due to such causes (financial incapacity of the Redeveloper, contractors or subcontractors excepted); it being the purpose and intent of this section that in the event of the occurrence of any such delay, the time for performance of the obligations of either party with respect to construction of the improvements shall be extended for the period of delay, provided that in order to obtain the benefit of the provisions of this section, the party seeking the benefit shall, within twenty (20) days after the beginning of any such delay, notify the other party thereof, in writing, and of the cause(s) thereof.

**Section 604. Rights and Remedies Cumulative.** The rights and remedies of the parties to this Agreement, whether provided by law or by this Agreement, shall be cumulative and the exercise by either party of any one or more such remedies shall not preclude the exercise by it, at the same or different times, of any other such remedies for any other default or breach by the other party. A waiver of any right of either party conferred by this Agreement shall be effective only if such waiver is in writing and only to the extent as so specified in writing.

## ARTICLE VII. MISCELLANEOUS

**Section 701. Conflicts of Interest; City Representatives Not Individually Liable.** No officer or employee of the City shall have any personal interest, direct or indirect, in this Agreement. No official or employee of the City shall be personally liable to Redeveloper, any successors in interest or transferees of Redeveloper, or any other party or person, in consequence of any default or breach by the City or for any amount which may become due to Redeveloper, its successors or transferees, or on any obligations under the terms of this Agreement.

**Section 702. Persons Authorized to Issue Approvals.** For purposes of this Agreement and the approvals and disapprovals required hereunder, the Redeveloper shall

be entitled to rely on the written approval or disapproval of the City Council, the Mayor, or the Director of the Department of Urban Development or its successor as constituting the approval or disapproval required by any one or more of the City, Mayor, or the Director of the Department of Urban Development or its successor hereunder. Until City receives further written notice from CenterPointe, Inc., City shall be entitled to rely on the written approval of Topher Hansen, Executive Director, as constituting the approval or disapproval of Redeveloper.

**Section 703. Equal Employment Opportunity.** Redeveloper, for itself and its successors and transferees, agrees that during the construction and operation of the Private Improvements provided for in this Agreement, Redeveloper will not discriminate against any employee or applicant for employment for the Proposal for Redevelopment because of race, religion, sex, color, national origin, ancestry, disability, marital status, or receipt of public assistance.

**Section 704. Notices and Demands.** A notice, demand, or other communication under this Agreement by either party to the other shall be sufficiently given or delivered if it is sent by registered or certified mail, postage prepaid, return receipt requested, or delivered personally, in the case of CenterPointe, Inc., to Topher Hansen, 1000 S. 13<sup>th</sup> Street, Lincoln, Nebraska, 68502, in the case of the City, to the Mayor, 555 South 10<sup>th</sup> Street, Lincoln Nebraska 68508, or at such other address with respect to either party as that party may from time to time designate in writing and forward to the other as provided in this Section.

**Section 705. Approval Not Unreasonably Withheld and Timely Approval.** Whenever approval or consent of either party is required hereunder, such consent shall not be unreasonably withheld or delayed. Except as may be specifically otherwise stated, any approval or disapproval required in this Agreement shall be issued within fourteen (14) days after receipt by the party issuing such approval/disapproval of all necessary information from the party requesting such approval. The party issuing such approval/disapproval shall promptly advise the requesting party as to whether all necessary information has been received. If any party to this Agreement submits any item to another party to this Agreement for approval pursuant to this Agreement, and the approving party fails to issue written approval or disapproval within the time period specified for such approval or disapproval, then such failure shall constitute approval of such item.

**Section 706. Access to Project Site.** The Redeveloper shall permit the representatives of the City to enter all of the Project Site and at any and all reasonable times, as the City may deem necessary for the purposes of this Agreement, including but not limited to work and inspection of all work being performed in connection with the construction of the Private Improvements. Similarly, City shall permit Redeveloper such entry upon the City's Property and public rights-of-way for such purposes. No compensation shall be payable nor shall any charges be made in any form by any party for the access or inspection provided for in this section. The City's right of access granted

under this section shall terminate upon issuance by the City of the Redeveloper's Certificate of Completion. Notwithstanding the above, Redeveloper shall not be relieved of the provisions contained in Chapter 14.29 of the Lincoln Municipal Code regarding the use of streets for private construction purposes.

**Section 707. Termination of Provisions; Binding.** The provisions and covenants of this Agreement shall terminate upon issuance by the City of the Redeveloper's Certificate of Completion contemplated herein, except as otherwise set forth herein. This Agreement shall run with the Project Site and shall inure to and bind the undersigned parties, successors and assigns.

**Section 708. Titles of Articles and Sections.** Any titles of the several parts, articles and sections of this Agreement are inserted for convenience of index and reference only and shall be disregarded in construing or interpreting any of its provisions.

**Section 709. Mutual Cooperation.** The parties agree to mutually cooperate in constructing the various improvements each is construct in the Project Site so as to coordinate all timing to the extent reasonable, and further to facilitate opening of the facility at the earliest possible time.

**Section 710. Integrated Contract; Severance of Provisions; Governing Law.** It is intended by the parties that this Agreement and the incorporated, attached and referenced documents shall be an integrated contract, but that invalidation of any of its provisions by judgment or court order shall in no way affect any other provisions which shall remain in full force and effect unless such court action shall materially change the intent of this Agreement. This Agreement shall be construed and governed by the laws of Nebraska.

**Section 711. Definitions.**

A. For the purpose of this Agreement, the term "holder" in reference to a mortgage shall be deemed to include any insurer or guarantor of any obligation or conditions secured by such mortgage or similar type of encumbrance who succeeds to or becomes subrogated to the rights of the mortgagee.

B. The term "mortgage" shall include a deed of trust or other instrument creating an encumbrance or lien as security for a loan.

Executed this \_\_\_\_\_ day of \_\_\_\_\_, 2003.

ATTEST:

CITY OF LINCOLN, NEBRASKA  
a Municipal Corporation

\_\_\_\_\_  
City Clerk

\_\_\_\_\_  
Coleen J. Seng, Mayor

Executed by CenterPointe, Inc., this \_\_\_\_\_ day of \_\_\_\_\_, 2003.

CENTERPOINTE, INC.  
a Private, Not for Profit Organization

By: \_\_\_\_\_

Topher Hansen,  
Executive Director

STATE OF NEBRASKA            )  
  ) ss.  
COUNTY OF LANCASTER        )

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2003.

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

STATE OF NEBRASKA            )  
  ) ss.  
COUNTY OF LANCASTER        )

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2003 by Topher Hansen, Executive Director, on behalf of CenterPointe, Inc., a private, not for profit organization, on behalf of the organization.

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

**ATTACHMENT "A"**

**LEGAL DESCRIPTION**

LOTS 1 THROUGH 6, BLOCK 21, KINNEY'S "O" STREET ADDITION, LOCATED IN THE SOUTHEAST QUARTER OF SECTION 24, TOWNSHIP 10 NORTH, RANGE 6 EAST OF THE 6<sup>TH</sup> P.M., LINCOLN, LANCASTER COUNTY, NEBRASKA AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF SAID LOT 6; THENCE IN A NORTHERLY DIRECTION, ALONG THE WEST LINE OF SAID LOT 6, ON AN ASSUMED BEARING OF NORTH 00 DEGREES 00 MINUTES 00 SECONDS EAST FOR A DISTANCE OF 142.15 FEET TO THE NORTHWEST CORNER OF SAID LOT 6

THENCE SOUTH 89 DEGREES 58 MINUTES 58 SECONDS EAST, ALONG THE NORTH LINE OF SAID BLOCK 21, FOR A DISTANCE OF 300.18 FEET TO THE NORTHEAST CORNER OF SAID LOT 1

THENCE SOUTH 00 DEGREES 00 MINUTES 15 SECONDS WEST, ALONG THE EAST LINE OF SAID LOT 1, FOR A DISTANCE OF 140.51 FEET

THENCE ALONG A CURVE TO THE RIGHT HAVING A RADIUS OF 15.00 FEET AND AN ARC LENGTH OF 7.06 FEET, BEING SUBTENDED BY A CHORD OF SOUTH 76 DEGREES 21 MINUTES 39 SECONDS WEST FOR A DISTANCE OF 7.00 FEET

THENCE NORTH 89 DEGREES 58 MINUTES 50 SECONDS WEST FOR A DISTANCE OF 293.37 FEET TO THE POINT OF BEGINNING

TOGETHER WITH AND SUBJECT TO COVENANTS, EASEMENTS, AND RESTRICTIONS OF RECORD.

SAID PROPERTY CONTAINS 0.98 ACRES MORE OR LESS.

**ATTACHMENT "B"**

**REDEVELOPER'S  
CERTIFICATE OF COMPLETION OF IMPROVEMENTS**

KNOW ALL MEN BY THESE PRESENTS: That the undersigned certifies, represents and warrants to the City of Lincoln, Nebraska, the conclusive determination and certification with regard to the following real property situated in the City of Lincoln, Lancaster County, Nebraska, to wit:

LOTS 1 THROUGH 6, BLOCK 21, KINNEY'S "O" STREET ADDITION, LOCATED IN THE SOUTHEAST QUARTER OF SECTION 24, TOWNSHIP 10 NORTH, RANGE 6 EAST OF THE 6<sup>TH</sup> P.M., LINCOLN, LANCASTER COUNTY, NEBRASKA AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF SAID LOT 6; THENCE IN A NORTHERLY DIRECTION, ALONG THE WEST LINE OF SAID LOT 6, ON AN ASSUMED BEARING OF NORTH 00 DEGREES 00 MINUTES 00 SECONDS EAST FOR A DISTANCE OF 142.15 FEET TO THE NORTHWEST CORNER OF SAID LOT 6

THENCE SOUTH 89 DEGREES 58 MINUTES 58 SECONDS EAST, ALONG THE NORTH LINE OF SAID BLOCK 21, FOR A DISTANCE OF 300.18 FEET TO THE NORTHEAST CORNER OF SAID LOT 1

THENCE SOUTH 00 DEGREES 00 MINUTES 15 SECONDS WEST, ALONG THE EAST LINE OF SAID LOT 1, FOR A DISTANCE OF 140.51 FEET

THENCE ALONG A CURVE TO THE RIGHT HAVING A RADIUS OF 15.00 FEET AND AN ARC LENGTH OF 7.06 FEET, BEING SUBTENDED BY A CHORD OF SOUTH 76 DEGREES 21 MINUTES 39 SECONDS WEST FOR A DISTANCE OF 7.00 FEET

THENCE NORTH 89 DEGREES 58 MINUTES 50 SECONDS WEST FOR A DISTANCE OF 293.37 FEET TO THE POINT OF BEGINNING

TOGETHER WITH AND SUBJECT TO COVENANTS, EASEMENTS, AND RESTRICTIONS OF RECORD.

SAID PROPERTY CONTAINS 0.98 ACRES MORE OR LESS.

that the Private Improvements required to be constructed by the Redeveloper upon the above described property have been satisfactorily completed in accordance with the requirements of the Redevelopment Agreement dated the \_\_\_\_\_ day of \_\_\_\_\_, 2003, and recorded as Instrument No. 03-\_\_\_\_\_ in the office of the Register of Deeds for Lancaster County, Nebraska.

[NAME OF REDEVELOPER]

By: \_\_\_\_\_  
Name: \_\_\_\_\_

Title: \_\_\_\_\_

STATE OF NEBRASKA            )  
  ) ss.  
COUNTY OF LANCASTER        )

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2003, by \_\_\_\_\_ of \_\_\_\_\_, a Nebraska \_\_\_\_\_, on behalf of the \_\_\_\_\_.

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

ACCEPTED by the City of Lincoln, Nebraska, this \_\_\_\_ day of \_\_\_\_\_, 2003.

ATTEST:

CITY OF LINCOLN, NEBRASKA  
a Municipal Corporation

\_\_\_\_\_  
City Clerk

\_\_\_\_\_  
Mayor Coleen J. Seng

STATE OF NEBRASKA            )  
  ) ss.  
COUNTY OF LANCASTER        )

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2003, by Coleen J. Seng, Mayor of the City of Lincoln, Nebraska.

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

## ATTACHMENT "C"

### RIGHT OF ENTRY AGREEMENT

THIS RIGHT OF ENTRY AGREEMENT (the "Agreement") is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2003, by and between CenterPointe, Inc., a Nebraska private not for profit organization (CenterPointe, Inc.), and the City of Lincoln, Nebraska, a municipal corporation in the State of Nebraska (City).

#### RECITALS

1. CenterPointe, Inc. is the owner or will be the owner of real estate more particularly described as follows: Kinney's O Street Addition, Lots 2 through 6.
2. In order to accommodate the Construction schedule for planned improvements on the Property, the parties are mutually desirous of entering into this Right of Entry Agreement.

NOW, THEREFORE, in consideration of, and based on, the foregoing Recitals and the mutual promises and agreements set forth below, the parties agree as follows:

#### I. Right of Entry.

- a. In consideration of the mutual benefits and obligations of this Agreement, CenterPointe, Inc., hereby grants a right of entry from CenterPointe, Inc. to the City for the CenterPointe, Inc. property for the following purposes and no others: site preparation as provided in the CenterPointe, Inc., Redevelopment Agreement.
- b. It is understood and agreed that the City shall not be liable for trespass or any other damages or takings of any kind arising out of entering on to the property for the purposes provided herein, except to the extent caused by the negligence or willful misconduct of the City, its agents or employees.
- c. The City shall require its contractor or any subcontractors thereof to carry Contractor's Public Liability and Property Damage Insurance as specified in the City of Lincoln Municipal Code or City of Lincoln Standard Specifications for Municipal Construction, where applicable. Where applicable and feasible, CenterPointe, Inc., will be listed as an additional insured for work related to premises or property owned by CenterPointe, Inc. and related thereto, CenterPointe, Inc. and the City expressly waive all rights and claims including claims they may have against the other, their subsidiaries and affiliates for any loss or damages covered by such insurance.

#### II. Indemnification.

- a. Indemnification by CenterPointe, Inc. CenterPointe, Inc. agrees to indemnify and hold City harmless against, and will reimburse City upon demand for,

- any payment, loss, cost or expense (including reasonable attorney's fees) made or incurred by or asserted against City in respect of any all damages or deficiencies resulting from any omission, misrepresentation, breach of warranty, or non-fulfillment of any term, provision, covenant, or agreement on the part of CenterPointe, Inc. contained in this Agreement.
- b. Indemnification by City. City agrees to indemnify and hold CenterPointe, Inc. harmless against, and will reimburse CenterPointe, Inc. upon demand for, any payment, loss, cost or expense (including reasonable attorney's fees) made or incurred by or asserted against CenterPointe, Inc. in respect of any and all damages or deficiencies resulting from any omission, misrepresentation, breach of warranty, or non-fulfillment of any term, provision, covenant, or agreement on the part of City contained in this Agreement.
- c. Conditions of Indemnification. With respect to any actual or potential claim, any written demand, commencement of any action, or the occurrence of any other event which involves any matter or related series of matters (Claim) against which a party hereto is indemnified (Indemnified Party) by another party (Indemnifying Party) under Sections II(a) or II(b) hereof:
1. Promptly after the Indemnified Party first receives written documents pertaining to the Claim, or if such Claim does not involve a third party Claim, promptly after the Indemnified Party first has actual knowledge of such Claim, the Indemnified Party shall give notice to the Indemnifying Party of such Claim in reasonable detail and stating the amount involved, if known, together with copies of any such written documents; and
  2. If the Claim involves a third party Claim, then the Indemnifying Party shall have the right, at its sole cost, expense and ultimate liability regardless of outcome, through counsel of its choice, to litigate, defend, settle, or otherwise attempt to resolve such Claim, except that the Indemnified Party may elect, at any time and at the Indemnified Party's sole cost, expense and ultimate liability, regardless of outcome, and through counsel of its choice, to litigate, defend, settle, or otherwise attempt to resolve such Claim. If the Indemnified Party so elects (for reasons other than the Indemnifying Party's inability, failure, or refusal to provide a defense to such Claim), then the Indemnifying Party shall have no obligation to indemnify the Indemnified Party with respect to such Claim. In any event, all parties hereto shall fully cooperate with any other party and their respective counsel in connection with any such litigation, defense, settlement, or other attempt at resolution.

### **III. Severability.**

If for any reason whatsoever, any one or more of the provisions of this Agreement shall be held or deemed to be inoperative, unenforceable, or invalid as applied to any particular case or in all cases, such circumstances shall not have the effect of rendering such provision invalid in any other case or of rendering any of the other provisions of this Agreement inoperative, unenforceable, or invalid.

### **IV. Construction.**

The parties hereto acknowledge and agree that each party has participated in the drafting of this Agreement and that this document has been reviewed by the respective legal counsel for the parties hereto and that no inference in favor of, or against, any party shall be drawn by the fact that one party has drafted any portion hereof.

### **V. Authority.**

This Agreement has been duly executed and delivered by the parties and constitutes a legal, valid and binding obligation of each party, enforceable against the same in accordance with its terms. CenterPointe, Inc. is the owner of the Property and no other persons have any interest in such real estate which would detrimentally affect the City's ability to use the Right of Entry for the purposes stated herein.

### **VI. Integration and Amendments.**

This Agreement represents the entire agreement between the parties and all prior negotiations and representations are hereby expressly excluded from this Agreement. This Agreement may be amended or modified only in writing signed by both Parties.

Executed this \_\_\_\_\_ day of \_\_\_\_\_, 2003.

ATTEST:

CITY OF LINCOLN, NEBRASKA  
a Municipal Corporation

\_\_\_\_\_  
City Clerk

\_\_\_\_\_  
Coleen J. Seng, Mayor

Executed by CenterPointe, Inc., this \_\_\_\_\_ day of \_\_\_\_\_, 2003.

CENTERPOINTE, INC.  
a Private, Not for Profit Organization

By: \_\_\_\_\_  
Topher Hansen,  
Executive Director

STATE OF NEBRASKA            )  
  ) ss.  
COUNTY OF LANCASTER        )

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2003.

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

STATE OF NEBRASKA            )  
  ) ss.  
COUNTY OF LANCASTER        )

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2003 by Topher Hansen, Executive Director, on behalf of CenterPointe, Inc., a private, not for profit organization, on behalf of the organization.

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

**ATTACHMENT "D"**

**DECLARATION OF RESTRICTIONS**

THIS DECLARATION OF RESTRICTIONS (The "Declaration") is made this \_\_\_\_\_ day of \_\_\_\_\_, 2003, by CenterPointe, Inc., a private, not for profit organization.

**RECITAL**

WHEREAS, CenterPointe, Inc. is the owner of that certain parcel of land legally described as follows:

LOTS 1 THROUGH 6, BLOCK 21, KINNEY'S "O" STREET ADDITION, LOCATED IN THE SOUTHEAST QUARTER OF SECTION 24, TOWNSHIP 10 NORTH, RANGE 6 EAST OF THE 6<sup>TH</sup> P.M., LINCOLN, LANCASTER COUNTY, NEBRASKA AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF SAID LOT 6; THENCE IN A NORTHERLY DIRECTION, ALONG THE WEST LINE OF SAID LOT 6, ON AN ASSUMED BEARING OF NORTH 00 DEGREES 00 MINUTES 00 SECONDS EAST FOR A DISTANCE OF 142.15 FEET TO THE NORTHWEST CORNER OF SAID LOT 6

THENCE SOUTH 89 DEGREES 58 MINUTES 58 SECONDS EAST, ALONG THE NORTH LINE OF SAID BLOCK 21, FOR A DISTANCE OF 300.18 FEET TO THE NORTHEAST CORNER OF SAID LOT 1

THENCE SOUTH 00 DEGREES 00 MINUTES 15 SECONDS WEST, ALONG THE EAST LINE OF SAID LOT 1, FOR A DISTANCE OF 140.51 FEET

THENCE ALONG A CURVE TO THE RIGHT HAVING A RADIUS OF 15.00 FEET AND AN ARC LENGTH OF 7.06 FEET, BEING SUBTENDED BY A CHORD OF SOUTH 76 DEGREES 21 MINUTES 39 SECONDS WEST FOR A DISTANCE OF 7.00 FEET

THENCE NORTH 89 DEGREES 58 MINUTES 50 SECONDS WEST FOR A DISTANCE OF 293.37 FEET TO THE POINT OF BEGINNING

TOGETHER WITH AND SUBJECT TO COVENANTS, EASEMENTS, AND RESTRICTIONS OF RECORD.

SAID PROPERTY CONTAINS 0.98 ACRES MORE OR LESS.

WHEREAS, CenterPointe, Inc. desires to grant certain restrictions as covenants running with the land, subject to the terms and conditions set forth herein.

NOW THEREFORE, for and in consideration of the recitals set forth above and the representations, warranties and covenants set forth below, and other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, and intending to be legally bound, CenterPointe, Inc., hereto agrees as follows:

1. Restrictions on Use. No portion of the property shall be used, directly or indirectly, for purposes of the operation of 1) any business in which alcoholic beverages are sold for consumption on or off the premises, 2) any outdoor off-premise advertising specifically including billboards, signboards and related structures and appurtenances, 3) any business operated or held out to the public as a sexually orientated business including offering sexually oriented goods and merchandise, services, motion pictures, live entertainment, depictions, telecommunication, internet or similar service, sexually oriented massage parlor or escort service.

2. Covenants to Run with Land. It is intended that each of the restrictions, rights and obligations set forth herein shall run with the land and create equitable servitudes in favor of the real property benefitted thereby, shall bind every person having any fee, leasehold or other interest therein, and shall inure to the benefit of the respective parties and their successors, assigns, heirs, and personal representatives.

3. Remedies and Enforcement.

All Legal and Equitable Remedies Available. In the event of a breach or threatened breach by the owner of such owner's tenants or their employees, agents, contractors, customers, invitees, or licensees, of any of the terms, covenants, restrictions or conditions hereof, the City shall be entitled forthwith to full and adequate relief by injunction and/or all such other available legal and equitable remedies from the consequences of such breach, including payment of any amounts due and/or specific performance.

IN WITNESS WHEREOF, the undersigned has executed this Declaration on the day and year first above written.

CenterPointe, Inc.  
A Private, Not for Profit Organization

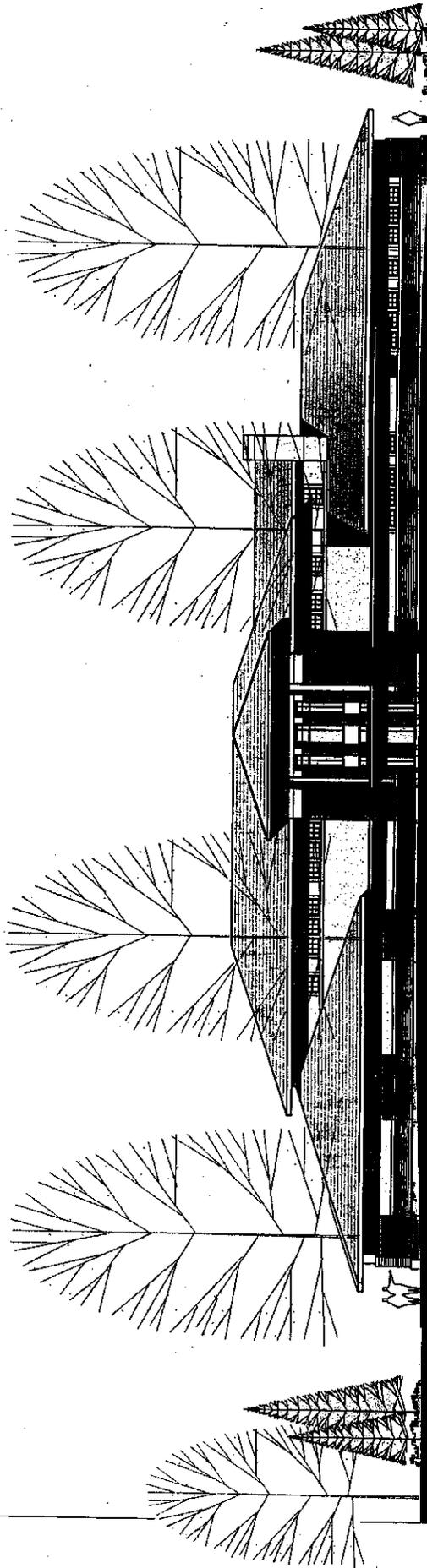
By: \_\_\_\_\_  
Topher Hansen,  
Executive Director

STATE OF NEBRASKA            )  
  ) ss.  
COUNTY OF LANCASTER        )

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2003, by Topher Hansen, Executive Director, on behalf of CenterPointe, Inc.

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

SINCLAIR|hille  
architects



NORTH ELEVATION

**CONCEPT DRAWINGS**

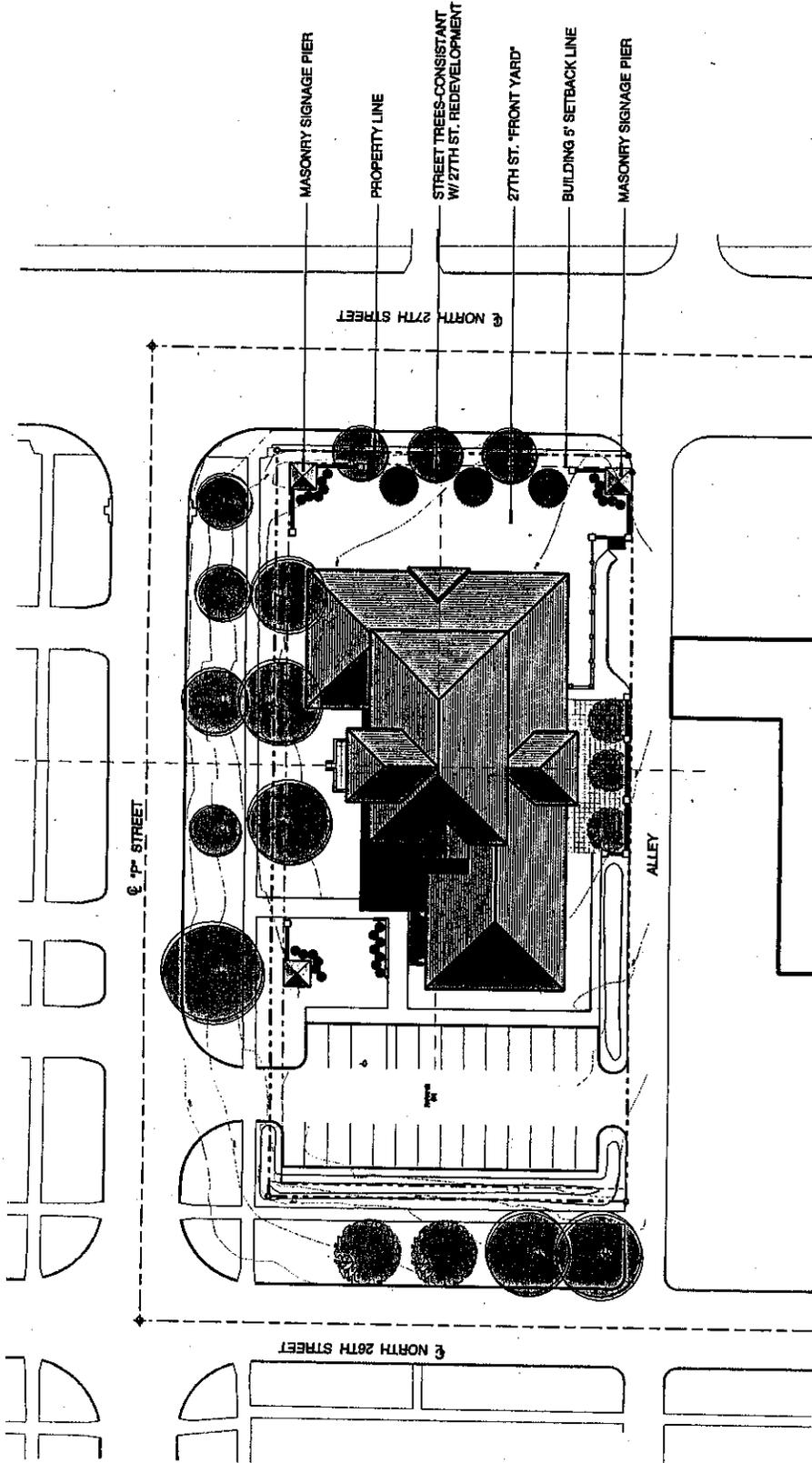
Scale - NONE

Date - 08.19.03

**CenterPointe**

CenterPointe Adult Residential Center





**SITE PLAN**  
Scale - NONE  
Date - 08.20.03

**CenterPointe**  
CenterPointe Adult Residential Center





**ATTACHMENT "F"**

**BUDGET**

CenterPointe, Inc., Uses and Sources of Funds

Uses:

Construction of adult residential treatment facility with administrative offices	\$1,755,730
Purchase of property (land assembly)	225,000
Public infrastructure and improvements: demolition and utility relocations	100,000
asbestos removal	228,000
public right-of-way landscaping, sidewalks	<u>15,000</u>
	<b>\$2,323,730</b>

Sources:

Nonprofit/Tax Exempt Bonding (CenterPointe, Inc.)	\$1,591,730
CenterPointe land sale proceeds	72,000
Urban Development HOME funds	200,000
State of Nebraska (Economic Development matching loan funds)	200,000
City of Lincoln (tax increment financing)	<u>260,000</u>
	<b>\$2,323,730</b>