ATTACHMENT "A"

PROPERTY TRANSFER AGREEMENT

THIS PROPERTY TRANSFER AGREEMENT (this "Agreement") is made and entered into effective the _____ day of _____, 2013 (the "Effective Date"), by and among the BOARD OF REGENTS OF THE UNIVERSITY OF NEBRASKA (the "University") and the CITY OF LINCOLN, NEBRASKA, a municipal corporation (the "City"). The University and the City may sometimes be referred to jointly as the "Parties" and each separately may be referred to as a "Party."

RECITALS

WHEREAS, the City is the legal title holder of certain real property (the "City Property") located within the block bounded by 18th Street, Antelope Valley Parkway, Q Street and R Street in Lincoln, Nebraska (the "18th & R Block") as further described and depicted on Exhibit "A" attached hereto and incorporated herein. The City Property is currently used as a surface parking lot for employees of the City Fire & Rescue Department (the "Fire Department");

WHEREAS, the University is the legal title owner of the remainder of the 18th & R Block and intends to develop the 18th & R Block with a mixed-use development, including parking garage and residential elements (the "Improvements");

WHEREAS, the University desires to acquire the City Property in order to create a more efficient site for the Improvements;

WHEREAS, the City and the University mutually agree to strive to create an aesthetically pleasing development on the 18th & R Block; and

WHEREAS, the City agrees to transfer the City Property to the University for the purpose of constructing the Improvements, subject to the requirements set forth herein;

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:

1. Transfer of City Property. The City agrees to transfer the City Property to the University (the "Transfer") and, in consideration thereof, the University agrees to construct the Improvements and provide the City with Alternate Parking for City Fire Department vehicles, as more specifically set forth herein. The Transfer and Alternate Parking shall be made with no cash consideration paid to either Party. Notwithstanding the above, in the event the University fails to commence construction of the Improvements by July 1, 2013, the City shall be entitled at its option to a conveyance of the City Property back to the City. In such event, the City agrees to terminate its rights

to the Alternate Parking. The conveyance to the City and the City's release of the Alternate Parking shall be made with no cash consideration paid to either Party.

2. Date of Closing. The "Closing" or "Date of Closing" for the Transfer shall take place at a date and time mutually agreed to by the Parties, but no later than thirty (30) days following the City Council's adoption of the Ordinance authorizing the transfer or the date the University has provided the City with the Alternate Parking, whichever is later. The Parties agree to use their good faith efforts to schedule the Closing as soon as possible. Possession shall occur upon the Closing. The place of Closing shall be at the office of the City Attorney, 555 South 10th Street, Lincoln, Nebraska, or such other location as the Parties may agree.

3. Title. The conveyance and transfer of the City Property shall be marketable fee simple title conveyed and transferred by special warranty deed, free and clear of all liens, assessments, taxes, restrictions, covenants, encumbrances, but subject to:

a. Easements and restrictions of record;

b. Facts that may be disclosed or described by an accurate survey or inspection of the City Property; and

c. Permitted Exceptions, as defined herein.

4. Relocation of Parking. On or before the date of Closing, the University shall provide the City with parking spaces for thirty five (35) passenger vehicles to be used by the Fire Department (collectively, the "Alternate Parking"). The location of the Alternate Parking shall be mutually agreed upon by the Parties. The University further agrees to make modifications to the driveway east of the fire Department building, acceptable to the Fire Department, to allow proper parking of the Fire Department's two hazardous material trailers. To the extent the Alternate Parking is located in a facility or on property accessible to other users, the University shall provide the Fire Department with designated spaces signed "Fire Department Parking Only" and shall adopt and enforce restrictions preventing others from using said spaces. University shall further provide the City with a mutually acceptable means of identifying City Fire Department vehicles when parked in the authorized Alternate Parking.

5. Title Examination. The University may, at its expense, obtain a title insurance commitment for an owner's title insurance policy on the City Property subject to Permitted Exceptions. For the purpose of this Agreement, "Permitted Exceptions" shall mean (1) covenants, conditions and restrictions of record which shall be approved by the University if they do not unreasonably interfere with University's intended use of the City Property; (2) taxes not yet due and payable; (3) public utility easements of record which shall be approved by the University, if they do not unreasonably interfere with University's intended use of the City Property; (4) title exceptions pertaining to liens or encumbrances of a definite or ascertainable amount which may be satisfied and released by the payment of money at the time of closing and which the City is willing to

and does so remove at closing; (5) title exceptions caused by the acts or omissions of the University; (6) easements to be granted and/or reserved under this Agreement; and (7) any other title exceptions shown on the Title Commitment and which are not properly and timely objected to by the University. If any defect in title, other than a Permitted Exception, is discovered during the examination of the title commitment, the University shall provide the City with written notice of such defect within fourteen (14) days after the University's receipt of such commitment. Any defect in title not objected to in writing by the University within fourteen (14) days after the University's receipt of the title commitment or by Closing, whichever is sooner, shall be considered a "Permitted Exception." Within fourteen (14) days after the University's notice to the City of any objections, the City shall provide the University with a statement of any objections which the City will not cure due to the fact that such objections cannot economically be corrected as determined by the City in its sole discretion and/or which the City cannot, upon the exercise of due diligence in good faith, cure prior to or concurrent with Closing. If the City gives notice to the University of any such objections, then the University shall have the option of (i) waiving such objections and proceeding to Closing, in which case such items shall be considered "Permitted Exceptions," or (ii) terminating this Agreement, whereupon this Agreement shall be null and void and neither the University nor the City shall have any further obligations hereunder. The title insurance premiums for any owner's title insurance policy shall be paid by the University.

6. Environmental; Inspections. In connection with effecting the contemplated transfer of the property, the University, at its expense, shall have the right after execution of this Agreement to enter the City Property to undertake an environmental audit, surveys, testing, samplings, tests, core drillings, engineering tests and studies, and other tests, delineations and analysis (collectively "Tests") of and affecting the City Property, for which purposes the City shall allow the University, the developer of the Improvements, and their respective agents, engineers, and consultants reasonable access. The University agrees to indemnify, defend and hold harmless the City from and against all claims for injuries to persons on or damage to the City Property caused by the acts of the University, the developer of the Improvements, and their respective agents, engineers and/or consultants. Upon execution of this Agreement, the City shall provide the University with any known environmental reports or surveys with respect to the City Property. The University shall have forty-five (45) days after the Effective Date in which to notify the City that, based upon the results of the Tests, the University has determined , in the University's sole discretion, that the condition of the City Property is not suitable for the University's intended uses of the City Property. In the event of such notice, this Agreement shall be null and void and the Parties shall have no further obligations hereunder.

7. Tax Increment Financing. In the event the developer of the Improvements desires to seek tax increment financing for the project, the City and University will cooperate with the developer with respect to the creation of a redevelopment plan and the designation of the 18th & R Block as blighted and substandard. The Parties intend for the Date of Closing to take place after negotiation of a redevelopment agreement.

8. Board of Regents and City Council Approval.

a. Board of Regents Approval. Notwithstanding any other provision herein, this Agreement is conditioned upon the approval of the Transfer by the Board of Regents of the University of Nebraska. If such approval is not made by the Date of Closing, this Agreement shall be null and void and the Parties shall have no further obligations hereunder.

b. City Council Approval. Notwithstanding any other provisions herein, this Agreement is conditioned upon (i) the City Council declaring the City Property surplus and authorizing its conveyance to the University in exchange for the Alternate Parking; (ii) Preliminary plans showing the size, shape and location of the Improvements and Schematic Drawings are submitted to and approved by the Mayor of the City of Lincoln. The Schematic Drawings shall provide elevation views of the exterior of the Improvements and include a description of the construction materials to be used for the exterior walls. University shall use reasonable efforts to ensure that the detailed final construction plans and specifications ("Construction Documents") shall be based and in conformance with Schematic Drawings approved by the Mayor.

9. Real Estate Taxes and Assessments. Real estate and personal property taxes, if any, prior to Closing shall be paid by the City. Taxes for the year of Closing, if any, shall be prorated to the Date of Closing and shall be prorated based upon the County's then most current property valuation and upon the most current tax rate as determined by the Lancaster County Board of Equalization. Title hereunder shall be delivered free and clear of all assessments levied or assessed or special assessment districts that have been created and ordered constructed, as of the date of this Agreement.

10. Prorations. Income, expenses and liabilities attributable to the City Property through the Date of Closing shall be for the account of the City and thereafter for the account of the University in accordance with generally accepted accounting principles; each Party agrees to timely pay and discharge any and all of its respective liabilities and expenses. The proration is to be made and paid, insofar as feasible, on the Date of Closing, with a final settlement sixty (60) days after the Date of Closing.

11. Risk of Loss. The City Property shall be transferred to the University on an "as is," "where is" basis at Closing except for the warranties of title contained in the special warranty deed and any warranties, representations and covenants specifically stated in this Agreement. Risk of loss on the City Property prior to Closing shall remain with the City.

12. No Brokers. The Parties agree that no Party hereto shall be liable for any real estate broker's commission, agent's commission, or finder's fee in connection with the Transfer contemplated by this Agreement; and each Party warrants to the other Party that it shall indemnify and hold the other Party harmless for all claims of any person for

brokers' or agents' commissions or finder fees making claim through it in connection with the Transfer.

13. City Representations and Warranties. The City represents and warrants to the University on the Effective Date and on the Date of Closing that:

a. Litigation. No judgment is issued or outstanding against the City Property. No litigation, action, special assessment, charge, lien, suit, judgment, proceeding or investigation is pending or outstanding before any forum, court or governmental body, department or agency of any kind, or, to the knowledge of City, threatened, to which the City or the City Property is a party which might reasonably result in any material adverse change in the prospects, development or condition of the City Property. The City does not know of any basis for such claim, litigation, action, special assessment, charge, lien, suit, judgment, proceeding or investigation;

b. Hazardous Materials. To the knowledge of the City and during the time in which the City owned the City Property, neither the City nor any third party has used, generated, manufactured, produced, stored, or disposed of on, under or about the City Property or transported to or from the City Property any flammable explosives, asbestos, radioactive materials, hazardous wastes, toxic substances, or related injurious materials, whether injurious by themselves or in combination with other materials (collectively, "Hazardous Materials"). To the knowledge of the City, there is no proceeding or inquiry by any governmental authority with respect to the presence of Hazardous Materials on the City Property or the migration thereof from or to other property. For the purpose of this Agreement, Hazardous Materials shall include but not be limited to substances defined as "hazardous substances," "hazardous materials," or "toxic substances" in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. §9601 et seq; the Hazardous Materials Transportation Act, 49 U.S.C. §1801 et seq; the Resource Conservation and Recovery Act, 42 U.S.C. §6901 et seq; and in the regulations adopted and publications promulgated pursuant to said laws;

c. Authorization. All necessary action to duly approve the execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby will have been taken by the City, and this Agreement will constitute a valid and binding agreement of the City, enforceable in accordance with its terms.

d. Prompt Notice. If, during the period between Effective Date and the Date of Closing, the City learns of, or has reason to believe that any of the representations and warranties contained in this Agreement may cease to be true, the City shall give prompt notice to the University (which notice

shall include copies of any instrument, correspondence or document upon which the City's notice is based); and

e. Additional University Right. In the event any warranty or representation in this Section is false, then the University shall have the right, in addition to the University's other rights and remedies hereunder, and upon written notice to the City delivered prior to Closing, to declare this Agreement null and void and the Parties shall have no further obligations hereunder.

14. University Representations and Warranties. The University represents and warrants to the City on the Effective Date and on the Date of Closing that:

a. Authorization. All necessary action to duly approve the execution, delivery and performance of this Agreement and the consummation of the transaction contemplated hereby will have been taken by the University, and this Agreement will constitute a valid and binding agreement of the University, enforceable in accordance with its terms.

15. Conditions Precedent. The obligation of each Party to consummate the transaction contemplated hereby are subject to the fulfillment prior to and at the Date of Closing of each of the following conditions:

a. Representations and Warranties. The representations and warranties of the other Party contained in this Agreement shall be true and correct in all material respects at and as of the Date of Closing as though such representations and warranties were made at and as of such time; and

b. Performance. The other Party shall have in all material respects performed and complied with all covenants, agreements and conditions required by this Agreement to be performed or complied with by it prior to and at the Date of Closing.

16. Default. Time is agreed to be of the essence. In the event either Party fails to comply with any of the material terms hereof, then the other Party may declare a default if such failure continues for fourteen (14) days after the non-complying Party receives written notice specifying the nature thereof; provided, however, in the event such failure cannot, in the exercise of reasonable diligence, reasonably be cured within such fourteen (14) day period, such failure shall not be considered a default, provided the non-complying party commences the cure within the fourteen (14) day period and continues to exercise reasonable diligence to complete the cure. If any default under this Agreement shall occur and the defaulting Party fails to cure the same within the expected 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.

17. Indemnification by the City. Upon the terms and subject to the conditions set forth herein, and to the extent allowed by law, the City agrees to indemnify and hold the University harmless against, and will reimburse the University upon demand for, any payment, loss, cost or expense made or incurred by or asserted against the University with respect to any and all damages or deficiencies resulting from any omission, misrepresentation, breach of warranty, or nonfulfillment of any term, provision, covenant, or agreement on the part of the City contained in this Agreement.

18. Indemnification by the University. Upon the terms and subject to the conditions set forth herein, and to the extent allowed by law, the University agrees to indemnify and hold the City harmless against, and will reimburse the City upon demand for, any payment, loss, cost or expense made or incurred by or asserted against the City with respect to any and all damages or deficiencies resulting from any omission, misrepresentation, breach of warranty, or nonfulfillment of any term, provision, covenant, or agreement on the part of the University contained in this Agreement.

19. Assignment. In the case of the assignment of this Agreement by either of the Parties, prompt notice shall be given to the other Party, who shall at the time of such notice be furnished with a duplicate of such assignment by such assignors. Any such assignment shall not terminate the liability of the assignor to perform, unless a specific release in writing is given and signed by the other Party to this Agreement.

20. Severability. If any non-economic mutual term or provision of this Agreement or the application thereof to any person or circumstances shall to any extent be invalid or unenforceable, the remainder of this Agreement or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable shall not be affected thereby, and each term and provision of this Agreement shall be valid and enforced to the fullest extent permitted by law.

21. Further Assurances. Each Party will, whenever it shall be reasonably requested to do so by the other, promptly execute, acknowledge, and deliver, or cause to be executed, acknowledged or delivered, any and all such further conveyances, confirmation, instruments, or further assurances and consents as may be necessary or proper, in order to effectuate the covenants and agreements herein provided. Each of the Parties shall cooperate in good faith with the other and shall do any and all other 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.

22. 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.

23. 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.

24. Non-Merger. All representations and warranties made herein are intended to survive Closing and shall not be merged in the deed. This Agreement shall not be cancelled at Closing.

25. Entire Agreement. This Agreement contains the entire agreement of the Parties relating to the transaction contemplated hereby, and all prior or contemporaneous agreements, understandings, representations, warranties and statements, oral or written, are merged herein. This Agreement cannot be modified or altered unless reduced to writing and consented to by all Parties.

26. Notice and Demands. Notice, demand or other communication to the City or the University required or appropriate under this Agreement shall be in writing, sent by (a) personal delivery, (b) expedited delivery service with proof of delivery, (c) registered or certified United States mail, postage prepaid, or (d) prepaid fax if confirmed by expedited delivery service or by mail in the manner previously described, addressed as follows:

If to the City:	Mayor 555 South 10th Street Lincoln, NE 68508 Fax: (402) 441-7120
With a copy to:	City Attorney 555 South 10th Street Lincoln, NE 68508 Fax: (402) 441-8812
If to the University:	The University of Nebraska-Lincoln Office of Business and Finance 307 Canfield Administration Lincoln, NE 68588-0425 Fax: (402) 472-7963
With a copy to:	University General Counsel 3835 Holdrege Street, Suite 201 Lincoln, NE 68583-0745 Fax: (402) 472-2038

27. Execution in Counterparts. This Agreement may be executed in counterparts, each of which shall be an original and all of which shall constitute one and the same instrument.

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

29. Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the Parties and their respective successors and assigns.

30. Delegation of Authority. The Mayor (or his designee) is authorized on behalf of the City and the University President (or his designee) is authorized on behalf of the University to take all necessary or reasonable actions to implement and close the transaction and agreements contained herein and to make any reasonable amendments hereto.

[The remainder of this page is intentionally left blank. Signature page follows.]

IN WITNESS HEREOF, the undersigned have executed this Agreement as of the Effective Date.

CITY SIGNATURE PAGE

CITY OF LINCOLN, NEBRASKA,
a municipal corporation

By: _____
Chris Beutler, Mayor

Attest

By: _____
City Clerk

UNIVERSITY SIGNATURE PAGE

BOARD OF REGENTS OF THE UNIVERSITY OF NEBRASKA, a public body corporate and governing body of the University of Nebraska-Lincoln

By: _____
James B. Milliken, President

Attest

By: _____
Carmen K. Maurer, Corporation Secretary

EXHIBIT “A”
CITY PROPERTY

Lot 7 and the west 11 feet of Lot 8, Block 9, Kinney’s O Street Addition, Lincoln, Lancaster County, Nebraska.