

REAL ESTATE PURCHASE AGREEMENT

This Real Estate Purchase Agreement (“Agreement”) is made and entered into as of this ____ day of June, 2014, by and between The Housing Authority of the City of Lincoln, a body corporate and politic (“Buyer”), and the City of Lincoln, Nebraska, a municipal corporation (“Seller”).

RECITALS

A. Seller owns Lot 51, Irregular Tract, Section 34, Township 10 North, Range 7 East of the 6th P.M., Lincoln, Lancaster County, Nebraska which is approximately 15.01 acres of real estate located generally south of South Street, immediately west of and adjacent to 84th Street, upon which the Seller has constructed certain municipal improvements, including a water tower and a fire station, both of which are currently in operation by the Seller.

B. The Seller has determined that a portion equal to 9.37 acres of its real estate is not required for the operation of the current and future municipal improvements and is in the process of declaring such additional ground to be surplus for municipal needs.

C. The Buyer desires to acquire such Property, as defined below, for the development of housing in accordance with its mission to provide safe and affordable housing in all areas of the City of Lincoln.

NOW THEREFORE, in consideration of the mutual recitals and covenants of the parties herein, it is mutually agreed as follows:

1. **Property.** Seller agrees to sell to Buyer, and Buyer agrees to purchase from Seller, the real estate (as defined in Neb. Rev. Stat. § 76-201) located generally south of South Street and 84th Street in Lincoln, Lancaster County, Nebraska and legally described as “Parcel 2” and depicted on Exhibit “A” attached hereto (the “Property”), together with any other adjacent gaps or gores owned by Seller adjacent to the Property as shall be revealed by the Survey (defined below), and easements and servient estates appurtenant thereto, free and clear of all liens, leases, and encumbrances, but with reservations and exceptions as follows:

- A. Title shall be taken subject to any restrictive covenants, easements, mineral rights, reservations or conditions of record, which do not restrict Buyer’s ability to use the Property for its intended purposes;
- B. Title shall be taken subject to restrictions, conditions and limitations hereinafter stated;
- C. Title shall be taken subject to a restriction/control of access prohibiting access to South 84th Street; and
- D. Title shall be taken subject to the City’s reservation of easements to operate, maintain, repair, reconstruct and/or replace the existing LES underground distribution line and overhead transmission lines.

The LES Reserved Easements are depicted on Exhibit "B" attached hereto.

- E. Title shall be taken subject to the City's reservation of easement for street right-of-way purposes ("South 84th Street ROW Easement") sufficient to provide 60 feet of right-of-way west of the centerline on South 84th Street (collectively the "LES Reserved Easements").

The legal description and ownership of the Property shall be confirmed by the title insurance commitment described in paragraph 5 below and/or survey obtained by Buyer as part of its due diligence.

2. **Price and Payment.** Buyer agrees to pay Seller a price of Six Hundred Ninety Four Thousand and No/100 Dollars (\$694,000.00) (the "Purchase Price"), as follows:

- A. **Earnest Deposit.** Within 3 days of execution of the Agreement by Seller, Buyer shall pay the sum of Ten Thousand and No/100 Dollars (\$10,000.00) (the "Earnest Deposit"), to be held by the Title Company (defined below) in accordance with the terms of this Agreement. If the due diligence and government approval requirements described in paragraph 10 below are not satisfied prior to the Closing Date, the Earnest Money Deposit shall be refunded to Buyer.
- B. **Closing Payment.** The balance of the Purchase Price, which is the sum of Six Hundred Eighty Four Thousand and No/100 Dollars (\$684,000.00), shall be due on the Closing Date.

3. **Title.** At the closing, Seller will execute and deliver to Buyer a general warranty deed (the "Deed") conveying the Property in fee simple free and clear of all liens, encumbrances, encroachments, and special assessments levied or assessed, or special assessment districts that have been created and ordered constructed, as of the date of this Agreement.

4. **Closing Costs.** Seller shall be obligated to prepare the Deed and to pay Nebraska Documentary Stamp tax relating to this transfer, if any. Buyer shall be obligated to prepare the Real Estate Transfer Statement and the costs, if any, of filing the Deed. Each party shall pay its own attorney fees. Buyer and Seller agree to retain Charter Title & Escrow Services, Inc. as the escrow closing agent ("Title Company") to close this transaction and shall execute the Title Company's agreement upon reasonable request. Buyer and Seller agree to equally share the cost for such escrow closing service.

5. **Title Insurance.** Within ten (10) days from the date this Agreement is approved by the City of Lincoln, Buyer shall obtain a title insurance commitment for the Property, issued by the Title Company. The title insurance commitment will show marketable title to the Property in Seller and in accordance with the terms and conditions of this Agreement. Buyer and Seller shall each pay one-half (½) the expense of the title insurance policy insuring Buyer for its ownership of the Property

for the amount of the Purchase Price. The title insurance commitment shall also confirm the legal description of the Property.

Buyer shall approve or disapprove title to the Property within ten (10) days after receipt of the title insurance commitment and the survey obtained by Buyer as part of its due diligence investigation (the "Survey"). If any objection or defect in title is discovered during the examination of the title commitment and the Survey by Buyer, Buyer shall furnish Seller with written notice of such objections and defects. Seller shall have a reasonable time to cure such objections and defects and Seller shall bear the expense of curing the same. In the event the Seller shall be unable or unwilling to cure such objections or defects in title prior to the expiration of the Due Diligence Period, Buyer, in Buyer's sole discretion, shall have the option to take title to the Property subject to such objections and defects in title or to rescind this Agreement, in which case Buyer shall be entitled to receive a refund of its Earnest Deposit.

6. **Closing Date.** The Closing Date ("Closing Date") for the Property shall be within ten (10) days after the satisfaction of the conditions precedent described in paragraph 10, subject to mutual scheduling by Buyer and Seller. The Closing Date shall in no event be later than June 30, 2014, provided that the Closing Date may be extended upon the mutual written consent of both Buyer and Seller.

7. **Possession.** Seller shall deliver possession of the Property to Buyer on the Closing Date free and clear of any other leases or agreements. No tenants of Seller or other third parties shall have any right to possess the Property or any part thereof as of the Closing Date.

8. **Risk of Loss.** Risk of loss or damage to the Property shall rest with Seller until the Closing Date.

9. **Taxes.** Seller is responsible for real estate taxes, if any, on the Property for all years prior to the year in which closing occurs. Real estate taxes for the calendar year in which the closing occurs shall be prorated to the Closing Date.

10. **Conditions Precedent.** Buyer's obligation to close on the acquisition of the Property shall be conditioned upon satisfaction of the following contingencies during the Due Diligence Period, as defined below:

- A. **Testing.** Buyer shall have the right to access the Property to conduct, at Buyer's cost, such inspections or tests it deems necessary. All such testing will be completed within the Due Diligence Period. Buyer shall restore the Property to the condition which existed prior to any such testing. If Buyer conducts any such testing, it shall indemnify and hold Seller harmless from and against any loss, claim, expense, or demand arising out of such inspection or testing.
- B. **Survey.** Buyer shall obtain a Topographical Survey, as well as an ALTA/ACSM Land Title Survey, reflecting, among other things, the boundary legal descriptions, the quantities of land, and the locations of all easements on the Property including the LES

Reserved Easements, the South 84th Street ROW Easement, and any other easements requested by the City. Buyer shall have the right to review and approve the Surveys and specifically the locations and restrictions of the easements located on the Property.

- C. **Declaration of Surplus.** The Seller shall have declared the Property to be surplus.
- D. **Real Estate Purchase Agreement.** Buyer shall submit this Agreement to the City Council for approval. Seller's and Buyer's obligations under this Agreement are contingent upon the City Council's approval of this Agreement.
- E. **Land Use Approvals.** The Seller shall have approved a change of zone and a Special Permit approving a Community Unit Plan ("CUP") permitting the development of a multifamily development consisting of 72 dwelling units.

11. **Default and Remedies.** Time is agreed to be of the essence. In the event that Buyer fails to close on this transaction after all the conditions have been satisfied, Seller, as its sole and exclusive remedy, shall be entitled to a release of all the Earnest Deposit plus interest. The parties agree that such sum fairly represents the damage that would be occasioned by Seller in the event of a Buyer default.

12. **Lien Affidavit.** Seller shall execute on the Closing Date an affidavit on the Title Company's form which will remove all standard exceptions to Buyer's title insurance policy (excepting the standard survey exception which is only removable if Buyer obtains a survey), as may be required by the Title Company.

13. **Further Assurances.** Each undersigned 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, confirmations, 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 undersigned 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.

14. **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.

15. **Assignment.** Neither Buyer, nor Seller, shall assign this Agreement without prior written consent of the non-assigning party. Buyer reserves the right to assign this Agreement to an affiliate prior to closing.

16. **Entire Agreement.** This Agreement contains the entire agreement of the parties with respect to the subject matter hereof and it is expressly agreed that any

prior oral or written agreements between the parties hereto are superseded by this Agreement and are no longer of any effect whatsoever. This Agreement cannot be modified or altered unless reduced to writing and consented to by all the undersigned parties.

17. **Notice and Demands.** Notice, demand, or other communication mandated to be given by 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. For such purposes, addresses for notice purposes are:

- A. Buyer: The Housing Authority of the City of Lincoln
5700 "R" Street
Lincoln, NE 68505
- with a copy to: Thomas C. Huston
Attorney at Law
Cline, Williams, Wright, Johnson & Oldfather LLP
1900 US Bank Building
233 South 13th Street
Lincoln, NE 68508
- B. Seller: City of Lincoln
Attn: Mayor
555 South 10th Street, Suite 301
Lincoln, NE 68508
- with a copy to: City Attorney's Office
Attn: City Attorney
575 South 10th Street, Suite 4201
Lincoln, NE 68508

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

[SIGNATURE PAGES TO FOLLOW]

“BUYER”

THE HOUSING AUTHORITY OF THE CITY
OF LINCOLN, a body corporate and politic

By: _____
Larry G. Potratz, Executive Director

STATE OF NEBRASKA)
)ss
COUNTY OF LANCASTER)

This ____ day of _____, 2014 before me, a notary public in and for said county and state, personally appeared Larry G. Potratz, Executive Director of The Housing Authority of the City of Lincoln, and acknowledged the execution thereof to be his voluntary act and deed.

Notary Public

“SELLER”

CITY OF LINCOLN, NEBRASKA, a
municipal corporation

By: _____
Chris Beutler, Mayor

ATTEST

By: _____
City Clerk

STATE OF NEBRASKA)
) ss
COUNTY OF LANCASTER)

The foregoing instrument was acknowledged before me this ____ day of _____, 2014 by Chris Beutler and _____, Mayor and City Clerk, respectively, of the City of Lincoln, Nebraska, a municipal corporation, on behalf of the municipal corporation.

Notary Public

RECEIPT OF EARNEST DEPOSIT

Charter Title & Escrow Services, Inc., the title company acting as the escrow agent of the Earnest Deposit, pursuant to the foregoing Real Estate Purchase Agreement, hereby acknowledges receipt of the sum of Ten Thousand and No/100 Dollars (\$10,000.00), and agrees to hold such Earnest Deposit pursuant to the terms of and conditions of the Real Estate Purchase Agreement.

“TITLE COMPANY”

Charter Title & Escrow Services, Inc.

By: _____
Manager

EXHIBIT "A"
LEGAL DESCRIPTION

PARCEL 2

A PARCEL OF LAND COMPOSED OF A PORTION OF LOT 51 I.T., LOCATED IN THE SOUTHEAST QUARTER OF SECTION 34, TOWNSHIP 10 NORTH, RANGE 7 EAST OF THE 6TH PRINCIPAL MERIDIAN, CITY OF LINCOLN, LANCASTER COUNTY, NEBRASKA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING FROM THE SOUTHEASTERLY CORNER OF SAID LOT 51 I.T., SAID POINT ALSO BEING THE NORTH CORNER OF OUTLOT "A" TRENDWOOD 17TH ADDITION, SAID POINT ALSO BEING THE TRUE POINT OF BEGINNING; THENCE ON AN ASSUMED BEARING OP SOUTH 46 DEGREES 50 MINUTES 21 SECONDS WEST, ALONG THE SOUTHEASTERLY LINE OF SAID LOT 51 I.T., A DISTANCE OF 875.15 FEET TO THE MOST SOUTHERLY CORNER OF SAID LOT 51 I.T.; THENCE NORTH 42 DEGREES 53 MINUTES 10 SECONDS WEST, ALONG THE SOUTHWESTERLY LINE OF SAID LOT 51 I.T., A DISTANCE OF 49.08 FEET TO THE NORTHEAST CORNER OF LOT 5, BLOCK 2, TRENDWOOD 16TH ADDITION; THENCE NORTH 41 DEGREES 14 MINUTES 54 SECONDS WEST, ALONG THE EAST LINE OF LOT 2, BLOCK 4, TRENDWOOD 14TH ADDITION, A DISTANCE OF 1.21 FEET TO THE MOST SOUTHERLY CORNER OF OUTLOT "C", TRENDWOOD 14TH ADDITION; THENCE NORTH 09 DEGREES 18 MINUTES 11 SECONDS EAST, ALONG THE EAST LINE OF SAID OUTLOT "C" AND THE EAST LINE OF TRENDWOOD 5TH ADDITION, SAID LINE ALSO BEING THE WEST LINE OF SAID LOT 51 I.T., A DISTANCE OF 547.78 FEET TO A POINT OF DEFLECTION; THENCE NORTH 02 DEGREES 25 MINUTES 50 SECONDS EAST, ALONG THE WEST LINE OF SAID LOT 51 I.T., A DISTANCE OF 161.36 FEET TO THE NORTHEAST CORNER OF LOT 8, BLOCK 14, TRENDWOOD 5TH ADDITION; THENCE NORTH 05 DEGREES 41 MINUTES 19 SECONDS WEST, ALONG THE WEST LINE OF SAID LOT 51 I.T., A DISTANCE OF 162.75 FEET TO THE NORTHEAST CORNER OF LOT 6, BLOCK 14, TRENDWOOD 5TH ADDITION; THENCE NORTH 13 DEGREES 38 MINUTES 09 SECONDS WEST, ALONG THE WEST LINE OF SAID LOT 51 I.T., A DISTANCE OF 165.93 FEET TO THE NORTHEAST CORNER OF LOT 4, BLOCK 14, TRENDWOOD 5TH ADDITION; THENCE NORTH 21 DEGREES 30 MINUTES 23 SECONDS WEST, ALONG THE WEST LINE OF SAID LOT 51 I.T., A DISTANCE OF 160.00 FEET TO THE NORTHEAST CORNER OF LOT 2, BLOCK 14, TRENDWOOD 5TH ADDITION; THENCE NORTH 65 DEGREES 32 MINUTES 34 SECONDS EAST, ALONG THE NORTH LINE OF SAID LOT 51 I.T., A DISTANCE OF 10.00 FEET TO A POINT; THENCE SOUTH 39 DEGREES 39 MINUTES 32 SECONDS EAST, A DISTANCE OF 113.36 FEET TO A POINT; THENCE SOUTH 38 DEGREES 16 MINUTES 03 SECONDS EAST, A DISTANCE OF 260.47 FEET TO A POINT; THENCE SOUTH 70 DEGREES 33 MINUTES 02 SECONDS EAST, A DISTANCE OF 95.61 FEET TO A POINT; THENCE NORTH 89 DEGREES 58 MINUTES 28 SECONDS EAST, A DISTANCE OF 171.62 FEET TO A POINT; THENCE NORTH 00 DEGREES 00 MINUTES 01 SECONDS WEST, A DISTANCE OF 134.10 FEET TO A POINT; THENCE SOUTH 89 DEGREES 16 MINUTES 09 SECONDS EAST, A DISTANCE OF 183.49 FEET TO A POINT ON THE EAST LINE OF SAID LOT 51 I.T.; THENCE SOUTH 00 DEGREES 24 MINUTES 43 SECONDS EAST, ALONG THE EAST LINE OF SAID LOT 51 I.T., SAID LINE BEING 50.00 FEET WEST OF AND PARALLEL WITH THE EAST LINE OF SAID SOUTHEAST QUARTER, A DISTANCE OF 424.45 FEET TO THE POINT OF BEGINNING. CONTAINING A CALCULATED AREA OF 408,072 SQUARE FEET, (9.37 ACRES) MORE OR LESS.

SURVEY RECORD

LANCASTER COUNTY, NEBRASKA

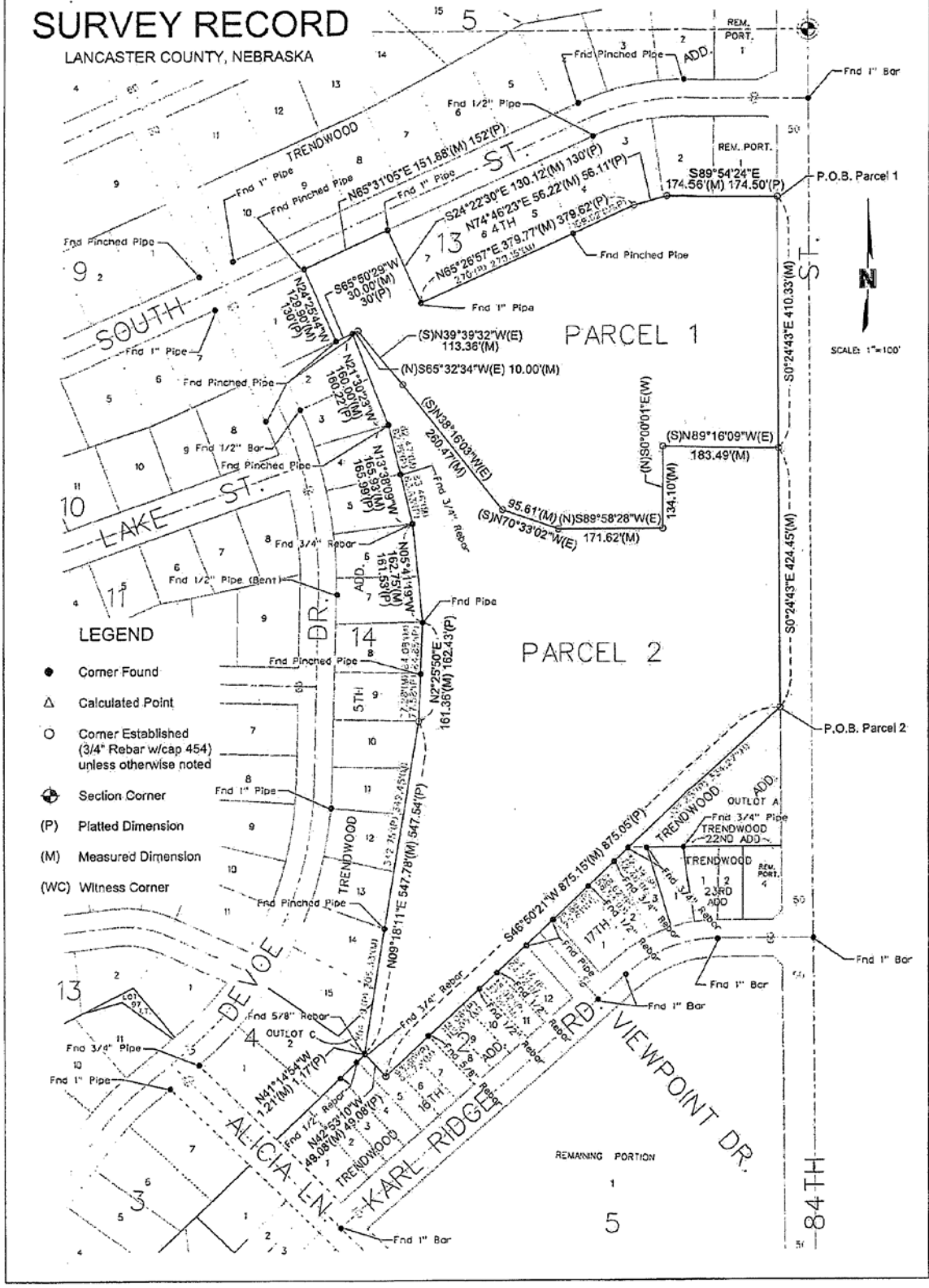
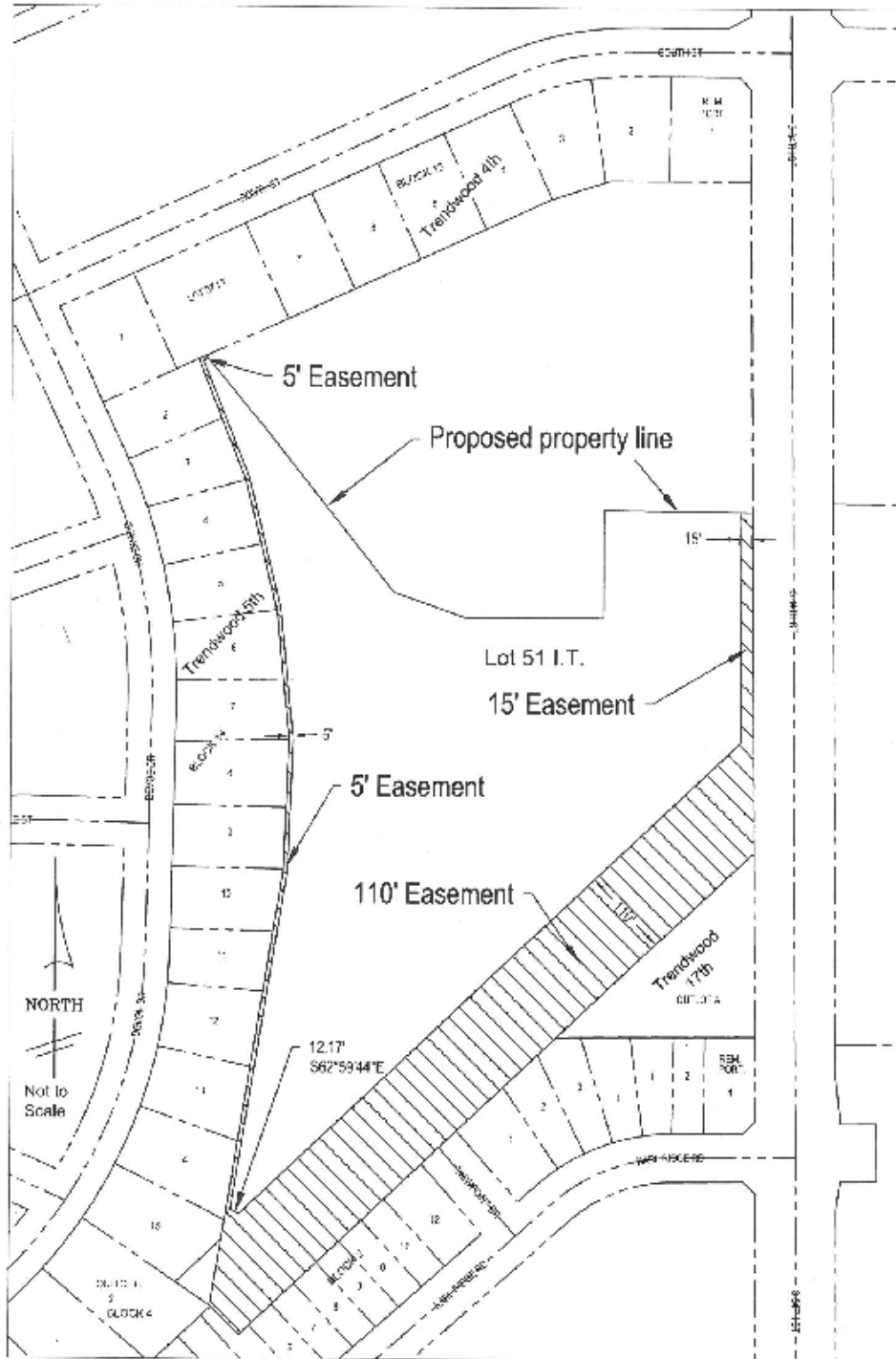


Exhibit "B"

RETAINED UTILITY EASEMENTS



Location of Utility Easement to be retained in part of Lot 51 of Irregular Tracts, in the SE 1/4, Section 34, Township 10 North, Range 7 East of the 6th P.M., Lincoln, Lancaster County, Nebraska.