

RESOLUTION 99-16

Lex Logging
LOT 2 99-16
CROW
763

RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF LEXINGTON;
APPROVING A REDEVELOPMENT PLAN AS CONTAINED IN A REDEVELOPMENT
CONTRACT; MAKING FINDINGS WITH REGARD TO SUCH PLAN AND APPROVING
OTHER ACTION THEREON.

WHEREAS, the City of Lexington, Nebraska a municipal corporation has determined it to be desirable to undertake and carry out urban redevelopment projects in areas of the City which are determined to be substandard and blighted and in need of redevelopment; and

WHEREAS, the Nebraska Community Development Law, Chapter 18, Article 21, Nebraska Reissue Revised Statutes of 1943, as amended (the "Act"), prescribes the requirements and procedures for the planning and implementation of redevelopment projects; and

WHEREAS, The City has previously declared an areas of the City to be substandard and blighted and in need of redevelopment pursuant to the Act; and

WHEREAS, The Community Redevelopment Authority of the City of Lexington, Nebraska (the Authority) has prepared a Redevelopment Plan as contained in a Redevelopment Contract pursuant to Section 18-2111 of the Act: and

WHEREAS, the Planning Commission reviewed the Redevelopment Plan pursuant to the Act and, pursuant to Section 18-2114 of the Act, recommended approval of the Redevelopment plan to the City; and

WHEREAS, following consideration of the recommendations of the Planning Commission to the City, the Mayor and City Council held a public hearing, pursuant to notice as required by law; and

WHEREAS, there has been presented for approval a specific Redevelopment Project within the Redevelopment Plan and as authorized in the Redevelopment Plan.

NOW, THEREFORE, be it resolved by the Mayor and City Council of the City of Lexington, Nebraska:

1. The Redevelopment Plan as contained in the Redevelopment Contract in the form attached to this Resolution as Exhibit A is hereby determined to be feasible and in conformity with the general plan for the development of the City of Lexington as a whole and the Redevelopment Plan is in conformity with the legislative declarations and determinations set forth in the Act;

2. The Mayor and City Council specifically find, as follows:

(a) The project described in the redevelopment contract and plan attached thereto, would not be economically feasible without the use of tax-increment financing;

(b) The project would not occur in the Redevelopment Area without the use of tax-increment financing; and

(c) The costs and benefits of the Project, including costs and benefits to other affected political subdivisions, the economy of the community, and the demand for public and private services have been analyzed by the governing body and have been found to be in the long term best interests of the community impacted by the project.

3. Approval of the Redevelopment Plan is hereby ratified and reaffirmed and the Authority is hereby directed to execute the Redevelopment contract and implement the Redevelopment Plan in accordance with the Act.

4. Pursuant to Section 18-2147 of the Act, any ad valorem tax levied upon real property in the redevelopment project specified in the plan, namely Lot 2, Holiday Plaza Addition as surveyed, platted and recorded, now being a part of the City of Lexington, all in Dawson County, Nebraska, shall be divided, for the period not to exceed 15 years after the effective date of the provision, which effective date shall be January 1, 2001.

a. That portion of the ad valorem tax which is produced by levy at the rate fixed each year by or for each public body upon the redevelopment project valuation shall be paid into the funds, of each such public body in the same proportion as all other taxes collected by or for the bodies; and

b. That portion of the ad valorem tax on real property in the redevelopment project in excess of such amount, if any, shall be allocated to and, when collected, paid into a special fund of the Authority to pay the principal of; the interest on, and any premiums due in connection with the bonds, loans, notes, or advances on money to, or indebtedness incurred by, whether funded, refunded, assumed, or otherwise, such Authority for financing or refinancing, in whole or in part, a redevelopment project. When such bonds, loans, notes, advances of money, or indebtedness including interest and premium due have been paid, the Authority shall so notify the County Assessor and County Treasurer and all ad valorem taxes upon real property in such redevelopment project shall be paid into the funds of the respective public bodies.

5. The Mayor of the City Council is directed to execute the Redevelopment Contract on behalf of the City of Lexington with such corrections additions and deletions as may be deemed necessary by the Mayor and to execute and deliver to the County Treasurer and Assessor, the Notice of Allocation of Taxes which is attached hereto and marked as exhibit B.

Passed and approved this 22nd day of June, 1999.

CITY OF LEXINGTON, DAWSON
COUNTY, NEBRASKA

John D. Fyke

BY



ATTEST:

James E. Mahesh
City Clerk

Exhibit A

(Attach a copy of Redevelopment Contract here)

Exhibit A

REDEVELOPMENT CONTRACT

This Redevelopment Contract is made and entered into as of the ___ day of _____, 1999, by and between the Community Redevelopment Authority of the City of Lexington, Nebraska (Authority) and Lexington Lodging, LTD, a Nebraska limited partnership, (Lexington Lodging).

WITNESSETH:

WHEREAS, the Authority is a duly organized and existing community Redevelopment Authority, a body politic and corporate under the laws of the State of Nebraska, with lawful power and authority to enter into this Redevelopment Contract, acting by and through its Chair or Vice Chair and members;

WHEREAS, the City of Lexington, Nebraska (the "City"), in furtherance of the purposes and pursuant to the provisions of Section 12 of Article VIII of the Nebraska Constitution and Sections 18-2101 to 18-2154, Reissue Revised Statutes of Nebraska, 1943, as amended (collectively the Act), has designated an area in the City described on the attached Exhibit A as a blighted and substandard area; and

WHEREAS, the Authority has completed all procedures necessary for adoption of a Redevelopment Plan and approval of a Redevelopment Contract; and

WHEREAS, pursuant to Section 18-2119 of the Act, Authority has solicited proposals for redevelopment of the redevelopment area, and Lexington Lodging submitted a redevelopment contract proposal;

WHEREAS, Authority and Lexington Lodging desire to enter into this Redevelopment Contract for acquisition and redevelopment of the redevelopment area;

NOW, THEREFORE, in consideration of the premises and the covenants and agreements herein set forth, Authority and Lexington Lodging do hereby covenant, agree and bind themselves as follows:

ARTICLE I

DEFINITIONS AND INTERPRETATION

Section 1.01 Terms Defined in this Redevelopment Contract.

Unless the context otherwise requires, the following terms shall have the following meanings for all purposes of this Redevelopment Contract, such definitions to be equally applicable to both the singular and plural forms and masculine, feminine and neuter gender of any of the terms defined:

"Act" means Section 12 of Article VIII of the Nebraska Constitution, Sections 18-2101 through 18-2154, Reissue Revised Statutes of Nebraska, 1943, as amended, and acts amendatory thereof and supplemental thereto.

"Bondholder" means the holders of Bonds issued by the Authority from time to time outstanding.

"Bonds" or "Series 1999 C Bonds" means the Authority's Community Redevelopment Revenue Bonds (Lexington Lodging, LTD, Project) , Series 1999.

"Governing Body" means the City Council of the City.

"Premises" or "Redevelopment Area" means all that certain real property situated in Lexington, Dawson County, Nebraska, more particularly described on Exhibit A attached hereto and incorporated herein by this reference.

"Project" means the improvements to the Premises, as further described in Exhibit C attached hereto and incorporated herein by reference.

"Project Costs" means only costs or expenses incurred by Lexington Lodging to acquire, construct and equip the Project pursuant to the Act.

"Redevelopment Contract" means this redevelopment contract between Authority and Lexington Lodging dated _____, 1999, with respect to the Project.

"Redevelopment Plan" means Exhibit C attached hereto as supplemented by this Redevelopment Contract and the attachments hereto, adopted by the Authority and the City pursuant to the Act, as amended from time to time.

"Resolution" means the Resolution of the Authority dated _____, 1999, as supplemented from time to time, approving this Redevelopment Contract and providing for the issuance of the Bonds.

"TIF Revenues" means incremental ad valorem taxes generated by the Project which are allocated to and paid to the Authority pursuant to the Act.

"City" means the City of Lexington, Nebraska.

Section 1.02 Construction and Interpretation.

The provisions of this Redevelopment Contract shall be construed and interpreted in accordance with the following provisions:

- (a) This Redevelopment Contract shall be interpreted in accordance with and governed by the laws of the State of Nebraska, including the Act.
- (b) Wherever in this Redevelopment Contract it is provided that any person may do or perform any act or thing the word "may" shall be deemed permissive and not mandatory and it shall be construed that such person shall have the right, but shall not be obligated, to do and perform any such act or thing.
- (c) The phrase "at any time" shall be construed as meaning "at any time or from time to time."
- (d) The word "including" shall be construed as meaning "including, but not limited to."
- (e) The words "will" and "shall" shall each be construed as mandatory.
- (f) The words "herein," "hereof," "hereunder," "hereinafter" and words of similar import shall refer to the Redevelopment Contract as a whole rather than to any particular paragraph, section or subsection, unless the context specifically refers thereto.
- (g) Forms of words in the singular, plural, masculine, feminine or neuter shall be

construed to include the other forms as the context may require.

(h) The captions to the sections of this Redevelopment Contract are for convenience only and shall not be deemed part of the text of the respective sections and shall not vary by implication or otherwise any of the provisions hereof.

ARTICLE II

REPRESENTATIONS

Section 2.01 Representations by Authority.

Authority makes the following representations and findings:

(a) Authority is a duly organized and validly existing community Redevelopment Authority under the Act;

(b) The proposed land uses and building requirements in the Project are designed with the general purpose of accomplishing, in conformance with the general plan of development of the City, a coordinated, adjusted, and harmonious development of the City and its environs which will, in accordance with present and future needs, promote health, safety, morals, order, convenience, prosperity, and the general welfare, as well as efficiency and economy in the process of development; including, among other things, adequate provision for traffic, vehicular parking, the promotion of safety from fire, panic, and other dangers, adequate provision for light and air, the promotion of healthful and convenient distribution of population, the provision of adequate transportation, water, sewerage, and other public utilities, schools, parks, recreational and community facilities, and other public requirements, the promotion of sound design and arrangement, the wise and efficient expenditure of public funds, and the prevention of the recurrence of unsanitary or unsafe dwelling accommodations, or conditions of blight;

(c) The Redevelopment Contract is feasible and in conformity with the general plan for the development of the City as a whole and the plan is in conformity with the legislative declarations and determinations set forth in the Act;

(d) Based on the representations of Lexington Lodging and other information provided to the Authority,

(i) the Project would not be economically feasible without the use of tax-increment financing;

(ii) the Project would not occur in the Redevelopment Area without the use of tax-increment financing; and

(iii) the costs and benefits of the Project, including costs and benefits to other affected political subdivisions, the economy of the community, and the demand for public and private services have been analyzed by the governing body and have been found to be in the long-term best interest of the community impacted by the Project;

(e) This Redevelopment Contract (and attachments hereto) constitutes a redevelopment plan and has been duly approved and adopted by the Community Redevelopment Authority of the City pursuant to Section 18-2116 and 18-2117 of the Act;

(f) The Authority has requested proposals for redevelopment of the Redevelopment Area pursuant to section 18-2119 of the Act, and deems it to be in the public interest and in furtherance of the purposes of the Act to accept the proposal submitted by Lexington Lodging as specified herein; and

(g) The Redevelopment Project will achieve the public purposes of the Act by, among other things, increasing employment, increasing the tax base, and lessening blight and substandard conditions in the Redevelopment Area.

Section 2.02 Representations of Lexington Lodging.

Lexington Lodging makes the following representations:

(a) The execution and delivery of the Redevelopment Contract and the consummation of the transactions therein contemplated will not conflict with or constitute a breach of or default under any bond, debenture, note or other evidence of indebtedness or any contract, loan agreement or lease to which Lexington Lodging is a party or by which it is bound,

or result in the creation or imposition of any lien, charge or encumbrance of any nature upon any of the property or assets of the Lexington Lodging contrary to the terms of any instrument or agreement.

(b) There is no litigation pending or to the best of its knowledge, threatened against Lexington Lodging affecting its ability to carry out the acquisition; construction, equipping and furnishing of the Project or the carrying into effect of this Redevelopment Contract or, except as disclosed in writing to the Authority, as to any other matter materially affecting the ability of Lexington Lodging to perform its obligations hereunder.

(c) Lexington Lodging has made a fiscal analysis of the project and specifically represents to the City and Authority that:

(i) the Project would not be economically feasible without the use of tax-increment financing, and Lexington Lodging will not undertake the Project without tax-increment financing;

(ii) the Project would not occur in the Redevelopment Area and Lexington Lodging will not construct the Project without the use of tax-increment financing;

ARTICLE III

OBLIGATIONS OF THE AUTHORITY

Section 3.01 Division of Taxes.

In accordance with Section 18-2147 of the Act, the Authority hereby includes in the Redevelopment Plan of the Authority a provision that any ad valorem tax on real property in the Project for the benefit of any public body be divided for a period of fifteen years after the effective date of this provision as provided in Section 18-2147 of the Act. The effective date of this provision shall be January 1, 2001.

Section 3 02 Issuance of Series 1999 C Bonds.

Authority on or about August 1, 1999, will issue its Series 1999 C Bonds in the

aggregate principal amount of approximately \$341,903.44 which shall be payable in accordance with the amortization schedule attached hereto as Exhibit B, bearing interest at eight percent (8%) per annum (Series 1999 C Bonds) . The Series 1999 C Bonds shall be limited obligations of the Authority, and shall be solely payable from and secured by TIF Revenues and other security specifically pledged therefor. Authority shall have no obligation to find a purchaser for the Series 1999 C Bonds.

Section 3.03 Pledge of TIF Revenues.

Pursuant to the Resolution, the Authority will pledge the TIF Revenues as Security for the Bonds.

Section 3.04 Grant of Proceeds of Bonds.

Authority will grant 100% of the proceeds from the Series 1999 C Bonds, together with the proceeds of any additional bonds issued by the Authority from time to time and secured by a pledge of the TIF Revenues as contemplated in Section 3.02 above, to Lexington Lodging for the purpose of paying Project Costs.

Section 3.05 Creation of Fund.

Authority will create a special fund to collect and hold the TIF Revenues. Such special fund shall be used for no purpose other than to pay Bonds issued pursuant to Sections 3.02 above.

Section 3.06 Perform Obligations of Redevelopment Plan.

Authority will perform, or provide for the performance, in a timely manner, of all obligations to set forth in the Redevelopment Plan required to be performed by the Authority or City, as provided in this Redevelopment Contract, and attached Exhibit C.

ARTICLE IV

OBLIGATIONS OF LEXINGTON LODGING

Section 4.01 Construction of Project; Insurance.

Lexington Lodging will acquire the site, complete the Project, pay for the demolition of existing building on the project site, and replace the existing building with a new motel facility, including the installation of all equipment necessary for the operation of a motel, as shown on Exhibits A and C attached hereto.

Section 4.02 Purchase of Series 1999 C Bonds.

Lexington Lodging will purchase the Series 1999 C Bonds or provide for the purchase of the Series 1999 C Bonds at 100% of their par value.

Section 4.03 Grant Deed of Trust to Secure Bonds.

Lexington Lodging will grant a deed of trust, if requested by the Authority, on the premises to secure the timely payment of the bonds. Such deed of trust shall be junior and inferior only to the primary lender on the project.

Section 4.04 Non Discrimination .

Lexington Lodging agrees and covenants for itself, its successors and assigns that as long as any Bonds are outstanding, it will not discriminate against any person or group of persons on account of race, sex, color, religion, national origin, ancestry, disability marital status or receipt of public assistance in connection with the Project. Lexington Lodging, for itself and its successors and assigns, agrees that during the construction of the Project, Lexington Lodging will not discriminate against any employee or applicant for employment because of race, religion, sex, color, national origin, ancestry, disability, marital status or receipt of public assistance. Lexington Lodging will comply with all applicable federal, state and local laws related to the Project.

Section 4.05 Pay Real Estate Taxes.

Lexington Lodging intends to, but is not specifically obligated to, create a taxable real property base attributable to the Project of \$2,500,000.00 no later than as of January 1, 2001. During the period that any Bonds are outstanding, Lexington Lodging will (1) not protest a real estate property valuation on the Premises of \$2,500,000.00 or less; (2) not convey the Premises or structures thereon to any entity which would be exempt from the payment of real estate taxes or cause the nonpayment of such real estate taxes; and (3) cause all real estate taxes and assessments levied on the Premises to be paid prior to the time such become delinquent during the term that any Bonds are outstanding.

Section 4.06 Payment in Lieu of Taxes.

Lexington Lodging agrees to make payments in lieu of taxes in an amount equal to the principal of and interest on the Series 1999 C Bonds as the same fall due as and to the extent not fully paid from TIF Revenues, immediately upon receipt of notice from Authority, if for any reason at any time TIF Revenues received by the Authority are not sufficient to pay principal and interest on the Series 1999 C Bonds when due. This payment in lieu of obligation may be represented by a note or other evidence of indebtedness, at the request of the Authority.

Section 4.07 Reimbursement of Costs.

Lexington Lodging will reimburse the City and Authority for all costs incurred for legal expenses and costs of bond issuance regarding this contract and the Redevelopment Plan, within 30 days of being billed for the same.

ARTICLE V

FINANCING REDEVELOPMENT PROJECT; ENCUMBRANCES

Section 5.01 Financing.

Lexington Lodging shall pay all Project Costs, if any, which are in excess of the amounts paid from the proceeds of the Bonds granted to Lexington Lodging.

ARTICLE VI

DEFAULT, REMEDIES; INDEMNIFICATION

Section 6.01 General Remedies of Authority and Lexington Lodging.

Subject to the further provisions of this Article VI, in the event of any failure to perform or breach of this Redevelopment Contract or any of its terms or conditions, by either party hereto or any successor to such party, such party, or successor, shall, upon written notice from the other, proceed immediately to commence such actions as may be reasonably designed to cure or remedy such failure to perform or breach which cure or remedy shall be accomplished within a reasonable time by the diligent pursuit of corrective action. In case such action is not taken, or diligently pursued, or the failure to perform or breach shall not be cured or remedied within a reasonable time, this Redevelopment Contract shall be in default and the aggrieved party may institute such proceedings as may be necessary or desirable to enforce its rights under this Redevelopment Contract, including, but not limited to, proceedings to compel specific performance by the party, failing to perform or in breach of its obligations.

Section 6.02 Additional Remedies of Authority.

In the event that:

- (a) Lexington Lodging, or its successor in interest, shall fail to substantially

complete the construction of the Project on or before December 31, 2000, or shall abandon construction work for any period of 90 days; or (b) Lexington Lodging, or its successor in interest, shall fail to pay real estate taxes or assessments on the Premises or any part thereof or payments in lieu of taxes pursuant to Section 4.06 when due, and such taxes or assessments or payments in lieu of taxes shall not have been paid, or provisions satisfactory to the Authority made for such payment, such event shall be deemed a failure to perform under this Redevelopment Contract.

In the event of such failure to perform, breach or default occurs and is not cured in the period herein provided, the parties agree that the damages caused to the Authority would be difficult to determine with certainty and that a reasonable estimation of the amount of damages that could be incurred is the amount of the grant to the Lexington Lodging pursuant to Section 3.04 of this Redevelopment Contract, plus interest as provided herein (the "Liquidated Damages Amount"). The Liquidated Damages Amount shall be paid by Lexington Lodging to Authority within 30 days of demand from Authority.

Interest shall accrue on the Liquidated Damages Amount at the rate of one percent (1%) over the prime rate as published and modified in the Wall Street Journal from time to time and interest shall commence from the date that the Authority gives notice to the Lexington Lodging demanding payment.

Payment of the Liquidated Damages Amount shall not relieve Lexington Lodging of its obligation to pay real estate taxes or assessments or payments in lieu of taxes with respect to the Project.

Section 6.03 Remedies in the Event of Other Lexington Lodging Defaults.

In the event Lexington Lodging fails to perform any other provisions of this Redevelopment Contract (other than those specific provisions contained in Section 6.02), Lexington Lodging shall be in default. In such an instance, the Authority may seek to enforce

the terms of this Redevelopment Contract or exercise any other remedies that may be provided in this Redevelopment Contract or by applicable law; provided, however, that the default covered by this Section shall not give rise to a right or rescission or termination of this Redevelopment Contract, and shall not be covered by the Liquidated Damages Amount.

Section 6.04 Enforced Delay Beyond Party's Control.

For the purposes of this Redevelopment Contract, neither party, as the case may be, nor any successor shall be in breach of or in default in its performance of obligations within its control, when and without its fault, a default in such obligation occurs caused by acts of God, or Government, or in the event of enforced delay in the project due to unforeseeable causes beyond the control of the parties or either of them, including fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather or delays in subcontractors due to such causes; it being the purpose and intent of this provision that in the event of the occurrence of any such enforced delay, the time or times for performance of the obligations of the Authority or of Lexington Lodging with respect to construction of the Project, as the case may be, shall be extended for the period of the enforced delay: Provided, that the party seeking the benefit of the provisions of this section shall, within thirty (30) days after the beginning of any such enforced delay, have first notified the other party thereof in writing, and of the cause or causes thereof and requested an extension for the period of the enforced delay.

Section 6.05 Limitation of Liability; Indemnification.

Notwithstanding anything in this Article VI or this Redevelopment Contract to the contrary neither Authority, City, nor their officers, directors, employees, agents or their governing bodies shall have any pecuniary obligation or monetary liability under this Redevelopment Contract. Specifically, but without limitation, neither City nor Authority shall be liable for any costs, liabilities, actions, demands, or damages for failure of any representations, warranties or obligations hereunder. The Lexington Lodging releases the

Authority and the City from, agrees that the Authority and the City shall not be liable for, and agrees to indemnify and hold the Authority and the City harmless from any liability for any loss or damage to property or any injury to or death of any person that may be occasioned by any cause whatsoever pertaining to the Project.

Lexington Lodging will indemnify and hold each of the Authority and the City and their directors, officers, agents, employees and member of their governing bodies free and harmless from any loss, claim, damage, demand, tax, penalty, liability, disbursement, expense, including litigation expenses, or court costs arising out of any damage or injury, actual or claimed, of whatsoever kind or character, to property (including loss of use thereof) or persons, occurring or allegedly occurring in, on or about the Project during the term of this Redevelopment Contract or arising out of any action or inaction of Lexington Lodging, whether or not related to the Project, or resulting from or in any way connected with the management of the Project, or in any way related to the enforcement of this Redevelopment Contract or any other cause pertaining to the Project.

ARTICLE VII

MISCELLANEOUS

Section 7.01 Notice Recording.

This Redevelopment Contract or a notice memorandum of this Redevelopment Contract shall be recorded with the County Register of Deeds in which the Premises is located.

Section 7.02 Governing Law.

This Redevelopment Contract shall be governed by the laws of the State of Nebraska, including but not limited to the Act.

Section 7.03 Binding Effect; Amendment.

This Redevelopment Contract shall be binding on the parties hereto and their respective successors and assigns. This Redevelopment Contract shall run with the Premises. The Redevelopment Contract shall not be amended except by a writing signed by the party to be bound.

IN WITNESS WHEREOF, Authority and Lexington Lodging have signed this Redevelopment Contract as of the date and year first above written.

COMMUNITY REDEVELOPMENT
AUTHORITY OF THE CITY OF
LEXINGTON, NEBRASKA

Rob Waterman
Chairman

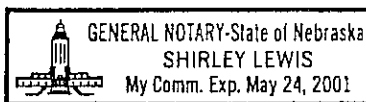
LEXINGTON LODGING, LTD.
WILKINSON FAMILY, LLC
GENERAL PARTNER

Mark
President

ATTEST:

Shirley Lewis
Secretary

STATE OF NEBRASKA)
) ss.
COUNTY OF DAWSON)



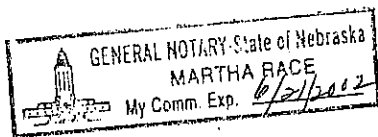
The foregoing instrument was acknowledged before me this 14th day of December, 1999, by Rob Waterman and Shirley Lewis. Chair and Secretary, respectively, of the Community Redevelopment Authority of the City of Lexington, Nebraska, on behalf of the Authority.

Shirley Lewis
Notary Public

STATE OF NEBRASKA)
) ss.
COUNTY OF DAWSON)

The foregoing instrument was acknowledged before me this 14th day of December, 1999, by LEXINGTON LODGING, LTD, by Wilkinson Family LLC, by Mark D. Wilkinson, President on behalf of the limited liability company on behalf of the limited partnership, as general partner.

(SEAL)



Martha Race

Notary Public

EXHIBIT A

DESCRIPTION OF PREMISES
(REDEVELOPMENT AREA)

Lot 2, Holiday Plaza Addition to the City of Lexington, Dawson County, Nebraska

EXHIBIT B
AMORTIZATION SCHEDULE

Compound Period : Semiannual

Nominal Annual Rate .. : 8.000 %
 Effective Annual Rate .. : Undefined
 Periodic Rate : 4.0000 %
 Daily Rate : 0.02192%

CASH FLOW DATA

Event	Start Date	Amount	Number	Period	End Date
1 Loan	08/01/1999	341,904.00	1		
2 Payment	06/01/2001	22,968.00	27	Semiannual	06/01/2014
3 Payment	12/01/2014	0.00	1		

AMORTIZATION SCHEDULE - US Rule

Date	Loan	Payment	Interest Accrued	Interest Paid	Principal Paid	Interest	Balance Due Principal	Total
Loan 08/01/1999	341,904.00		0.00	0.00	0.00	0.00	341,904.00	341,904.00
1999 Totals	341,904.00	0.00	0.00	0.00	0.00			
1 06/01/2001		22,968.00	50,170.90	22,968.00	0.00	27,202.90	341,904.00	369,106.90
2 12/01/2001		22,968.00	13,676.16	22,968.00	0.00	17,911.06	341,904.00	359,815.06
2001 Totals	0.00	45,936.00	63,847.06	45,936.00	0.00			
3 06/01/2002		22,968.00	13,676.16	22,968.00	0.00	8,619.22	341,904.00	350,523.22
4 12/01/2002		22,968.00	13,676.16	22,295.38	672.62	0.00	341,231.38	341,231.38
2002 Totals	0.00	45,936.00	27,352.32	45,263.38	672.62			
5 06/01/2003		22,968.00	13,649.26	13,649.26	9,318.74	0.00	331,912.64	331,912.64
6 12/01/2003		22,968.00	13,276.51	13,276.51	9,691.49	0.00	322,221.15	322,221.15
2003 Totals	0.00	45,936.00	26,925.77	26,925.77	19,010.23			
7 06/01/2004		22,968.00	12,888.85	12,888.85	10,079.15	0.00	312,142.00	312,142.00
8 12/01/2004		22,968.00	12,485.68	12,485.68	10,482.32	0.00	301,659.68	301,659.68
2004 Totals	0.00	45,936.00	25,374.53	25,374.53	20,561.47			
9 06/01/2005		22,968.00	12,066.39	12,066.39	10,901.61	0.00	290,758.07	290,758.07
10 12/01/2005		22,968.00	11,630.32	11,630.32	11,337.68	0.00	279,420.39	279,420.39
2005 Totals	0.00	45,936.00	23,696.71	23,696.71	22,239.29			
11 06/01/2006		22,968.00	11,176.82	11,176.82	11,791.18	0.00	267,629.21	267,629.21
12 12/01/2006		22,968.00	10,705.17	10,705.17	12,262.83	0.00	255,366.38	255,366.38
2006 Totals	0.00	45,936.00	21,881.99	21,881.99	24,054.01			
13 06/01/2007		22,968.00	10,214.66	10,214.66	12,753.34	0.00	242,613.04	242,613.04
14 12/01/2007		22,968.00	9,704.52	9,704.52	13,263.48	0.00	229,349.56	229,349.56
2007 Totals	0.00	45,936.00	19,919.18	19,919.18	26,016.82			
15 06/01/2008		22,968.00	9,173.98	9,173.98	13,794.02	0.00	215,555.54	215,555.54
16 12/01/2008		22,968.00	8,622.22	8,622.22	14,345.78	0.00	201,209.76	201,209.76
2008 Totals	0.00	45,936.00	17,796.20	17,796.20	28,139.80			
17 06/01/2009		22,968.00	8,048.39	8,048.39	14,919.61	0.00	186,290.15	186,290.15
18 12/01/2009		22,968.00	7,451.61	7,451.61	15,516.39	0.00	170,773.76	170,773.76
2009 Totals	0.00	45,936.00	15,500.00	15,500.00	30,436.00			
19 06/01/2010		22,968.00	6,830.95	6,830.95	16,137.05	0.00	154,636.71	154,636.71
20 12/01/2010		22,968.00	6,185.47	6,185.47	16,782.53	0.00	137,854.18	137,854.18
2010 Totals	0.00	45,936.00	13,016.42	13,016.42	32,919.58			
21 06/01/2011		22,968.00	5,514.17	5,514.17	17,453.83	0.00	120,400.35	120,400.35
22 12/01/2011		22,968.00	4,816.01	4,816.01	18,151.99	0.00	102,248.36	102,248.36
2011 Totals	0.00	45,936.00	10,330.18	10,330.18	35,605.82			
23 06/01/2012		22,968.00	4,089.93	4,089.93	18,878.07	0.00	83,370.29	83,370.29
24 12/01/2012		22,968.00	3,334.81	3,334.81	19,633.19	0.00	63,737.10	63,737.10
2012 Totals	0.00	45,936.00	7,424.74	7,424.74	38,511.26			
25 06/01/2013		22,968.00	2,549.48	2,549.48	20,418.52	0.00	43,318.58	43,318.58
26 12/01/2013		22,968.00	1,732.74	1,732.74	21,235.26	0.00	22,083.32	22,083.32
2013 Totals	0.00	45,936.00	4,282.22	4,282.22	41,653.78			
27 06/01/2014		22,968.00	883.33	883.33	22,084.67	0.00	1.35-	1.35-
28 12/01/2014		0.00	1.35	1.35	1.35-	0.00	0.00	0.00
2014 Totals	0.00	22,968.00	884.68	884.68	22,083.32			
Grand Totals	341,904.00	620,136.00	278,232.00	278,232.00	341,904.00			

EXHIBIT C

DESCRIPTION OF PROJECT AND REDEVELOPERS REDEVELOPMENT PLAN FOR LEXINGTON HOLIDAY PLAZA MOTEL AND CONVENTION FACILITY

OVERVIEW:

This plan is intended to redevelop an area within the City of Lexington, which has been declared blighted and substandard within the meaning of the Community Development Law of the State of Nebraska.

The redevelopment will demolish the existing structure on the real estate shown on Exhibit A to the Redevelopment Contract and subdivide the property. Lexington Lodging will clear the site. This project is one of three that, subject to assistance from the Authority, will result in the construction of a Holiday Inn Express motel with convention facilities on a property that has been closed for years and is encumbered with environmental pollution.

The redeveloper will not develop this motel and convention facility in the project area without the benefit of tax increment financing. The costs of site clearance and construction of the project are simply too great to be absorbed by the redevelopers without the assistance of tax increment financing. The redevelopers have reviewed the economic data, including the separate costs allocable to site clearance and preparation, and have determined that it is not economically feasible to build the facility without the use of tax-increment financing. The redevelopers propose that the Community Redevelopment Authority issue a bond to be repaid from the incremental tax revenues generated by the redevelopment project pursuant to §18-2147 of the Nebraska Revised Statutes, for a period of 15 years from an effective date of January 1, 2001. The Redevelopers will use the proceeds of the bond to assist in the acquisition, site clearance and construction and equipping of the motel and convention facility.

THE REDEVELOPMENT PLAN:

1. Relationship of Plan to Local objectives for appropriate land use: This plan contemplates a change in current land use. Currently the real estate is dedicated to use as a truck stop, but has been closed for years. No zoning change is contemplated or required.

This plan provides for a public/private partnership to provide site clearance and development of a motel and convention facility. Reutilization of the existing real estate meets existing local objectives for appropriate land use for the area affected by this plan.

2. Relationship of Plan to Local objectives for improved traffic flow and public utilities in plan area: This plan contemplates no relocation of the existing highway access. However, mutual

easements for parking and access to other improvements will be required as part of the approval process. Additionally an easement for utilities will be required

3. Relationship of Plan to Local objectives for community facilities: This plan is part of a redevelopment scheme that will provide a badly needed motel and convention facility.

4. Redevelopment project boundaries: Exhibit C1 to the Redevelopment Contract shows the boundaries of the project and the existing use of the property as a closed truck stop in poor condition. The gasoline/ service station has been closed for years and is deteriorating.

5. Proposed land use plan: Exhibit C2 shows the proposed land use plan after redevelopment. The gasoline/ service station will be demolished. Additional parking will be made available.

6. Information on standards for population densities; land coverage; building intensities; and land coverage after redevelopment: Population density will remain unchanged for the area or will slightly decrease. The gasoline/service station will be demolished resulting in an additional area without building coverage.

7. Statement regarding change in street layouts: This Plan proposes no changes in street and utility layout.

8. Site plan after redevelopment: Exhibit C2 is an accurate site plan of the redevelopment project after redevelopment.

9. Statement as to the kind and number of additional public facilities or utilities required to support land use after redevelopment: No additional public utilities required to support the proposed change for use as a motel.

10. Public cost/benefit analysis: This plan requires that the redevelopers will own, rehabilitate, construct and equip a motel and convention facility as part of the redevelopment of the site. No public funds, other than the tax increment financing benefit, will be used on the structure, or to provide any of the necessary equipment.

The redevelopers will provide all financing for the project except that provided by the City of Lexington. TIF Bonds shall not be backed by the City or the Authority, and will only be repaid from the increased ad valorem tax stream created by the project rehabilitation, over a 15 year period commencing January 1, 2001. All ad valorem taxes currently being paid by the facility will continue to be paid to the normal taxing authorities, including the school district, the City of Lexington, and Dawson County, subject to current valuation adjustment. After the 15-year TIF period, the increased taxes will also be paid to the normal taxing authorities.

The operation of the motel and convention facility will result in increased tax revenues to the City of Lexington and increased lodging tax to the county. Having the capacity to land conventions in Lexington will result in non residents coming to the community to spend money in motels, restaurants and in retail stores. Each dollar spent in the community will generate sales tax which will reduce the property tax burden of community residents. This reduction in

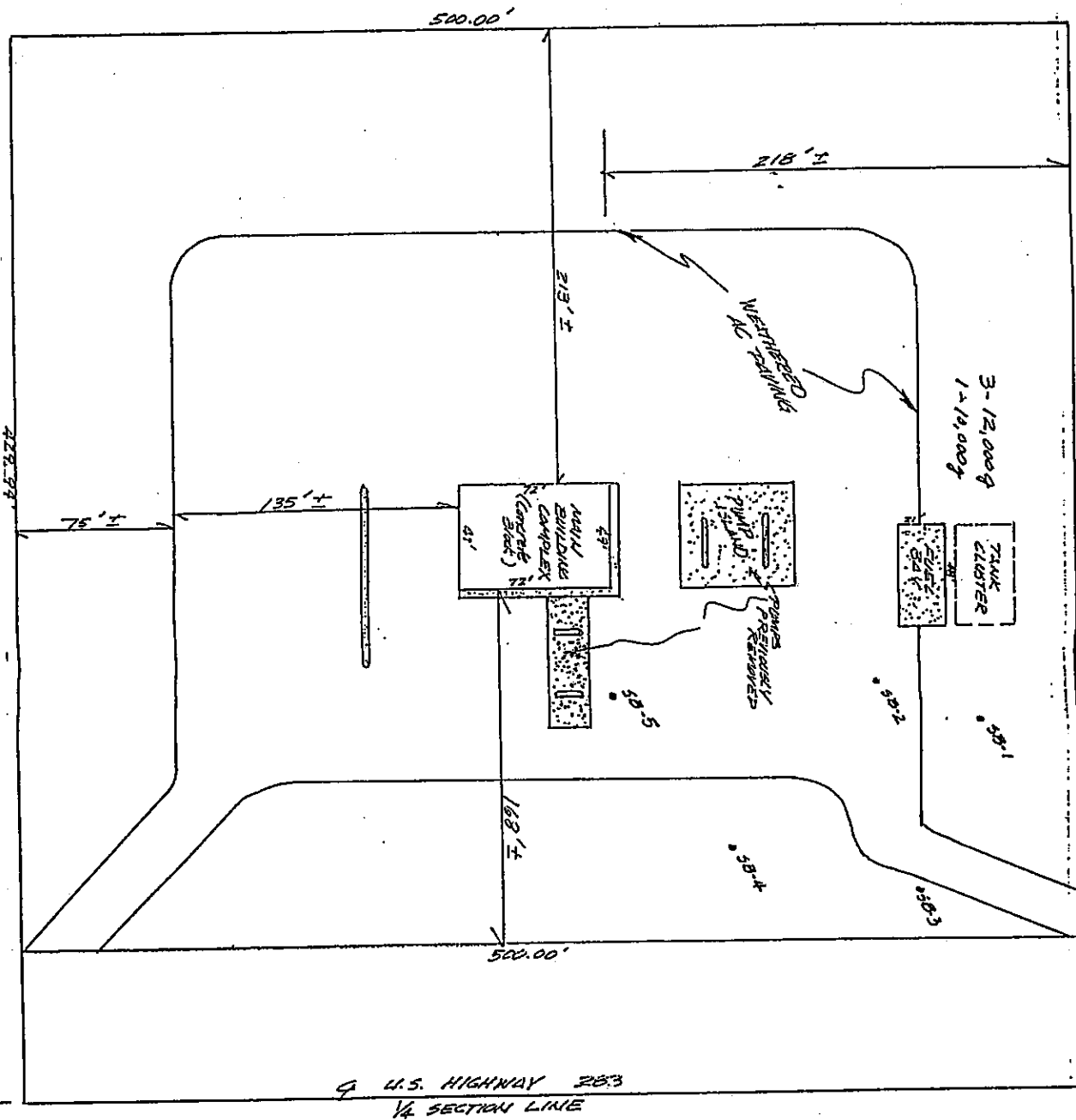
property tax demand will result without any significant increase in demand for other public services. As an example, conventions do not result in an increase in student population or result in a significantly higher demand for police or fire protection.

11. Pledge of Incremental Taxes. Pursuant to Section 18-2147 of the Act, any ad valorem tax levied upon real property in the redevelopment project specified in the plan, namely Lot 2, Holiday Plaza Addition as surveyed, platted and recorded, now being a part of the City of Lexington, all in Dawson County, Nebraska, shall be divided, for the period not to exceed 15 years after the effective date of the provision, which effective date shall be January 1, 2001.

a. That portion of the ad valorem tax which is produced by levy at the rate fixed each year by or for each public body upon the redevelopment project valuation shall be paid into the funds, of each such public body in the same proportion as all other taxes collected by or for the bodies; and

b. That portion of the ad valorem tax on real property in the redevelopment project in excess of such amount, if any, shall be allocated to and, when collected, paid into a special fund of the Authority to pay the principal of; the interest on, and any premiums due in connection with the bonds, loans, notes, or advances on money to, or indebtedness incurred by, whether funded, refunded, assumed, or otherwise, such Authority for financing or refinancing, in whole or in part, a redevelopment project. When such bonds, loans, notes, advances of money, or indebtedness including interest and premium due have been paid, the Authority shall so notify the County Assessor and County Treasurer and all ad valorem taxes upon real property in such redevelopment project shall be paid into the funds of the respective public bodies.

Exhibit C1



FORMER HUSKY STATION
LEXINGTON, NE

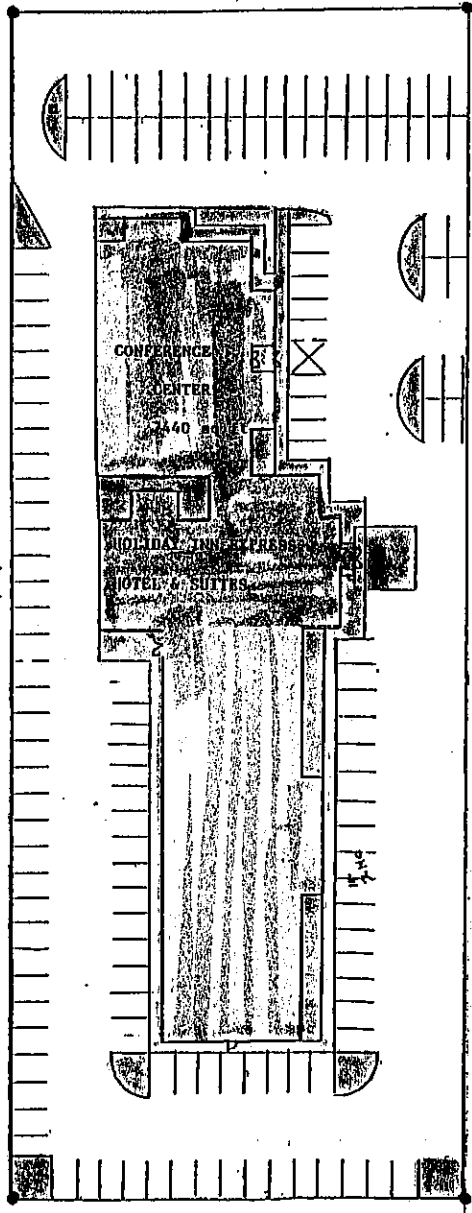


SCALE: 1" = 50'

Revised 11/13/83. The 1/4 section line of the SW 1/4 of Section 283 and 79 N 21 W 50 R 24 S, DAWSON COUNTY, NE, is shown.

HOLIDAY PLAZA ADDITION
FORMERLY A TRACT IN THE N 1/2 OF THE SW 1/4,
SECTION 17, T. 9 N., R. 21 W., DAWSON COUNTY, NEBRASKA

(PRELIMINARY PLAT)



HOTEL SITE & RENDEZVOUS CONFERENCE CENTER

Lot 2, Holiday Plaza Addition

Owner: Lexington Lodging, L.T.D.

Improvements:

- 7440 sq. ft. Conference Center
- 70 Room, 38,000 sq. ft. Holiday Inn Express Hotel and Suites

Total Project cost: \$3,400,000

Anticipated assessed value of the real estate \$2,500,000

Anticipated assessed value of the personal property \$900,000



CONSULTING ENGINEERS
701 4th Avenue, Suite 20
P.O. Box 806
Holdrege, NE 68049
308-095-0700

Exhibit B

(Attach a copy of Notice of Allocation of Taxes here)

NOTICE OF ALLOCATION OF TAXES

TO: County Assessor of Dawson County, Nebraska
and County Treasurer of Dawson County, Nebraska

Pursuant to the provisions of Neb. Rev. Stat. Section 18-2147 and Section 18-2150, notice is hereby given that the Redevelopment Plan adopted by the City of Lexington and the Community Redevelopment Authority of the City of Lexington, Nebraska, on June 22, 1999, contained a provision that ad valorem tax levied upon real property described as:

LOT 2, HOLIDAY PLAZA ADDITION, as surveyed, platted and recorded, now being a part of the City of Lexington, all in Dawson County, Nebraska,

be divided as provided in Section 18-2147.

The effective date of the pledge of taxes is January 1, 2001.

Notice is hereby given of the pledge of such taxes to the payment of Principal of, premium, if any and interest on the Authority's Community Development Revenue Bond (Lexington Lodging Project), Series 1999C, issued pursuant to the Authority's Resolution dated August 23, 1999, Pursuant to Section 18-2147.

The Paying Agent and Registrar on the Bond is the City Clerk/Treasurer of the City of Lexington, Dawson County, Nebraska. The taxes and any delinquent interest on such taxes pledged for payment of the bond are to be paid to the Paying Agent upon receipt of such monies by the Treasurer of Dawson County.


Dated: August 23, 1999

CITY OF LEXINGTON, NEBRASKA

Mayor

City Clerk

COMMUNITY DEVELOPMENT
AUTHORITY OF THE
CITY OF LEXINGTON, NEBRASKA


Secretary


Chair

CERTIFICATE OF COUNTY TREASURER AND COUNTY ASSESSOR

The undersigned County Treasurer and County Assessor of the County of Dawson, Nebraska, hereby acknowledge receipt of Notice of the Pledge of Taxes by the Community Development Authority of the City of Lexington, Nebraska, for its Community Redevelopment Revenue Bonds, Series 1999C (PROJECT NAME), on the real property described as:

LOT 2, HOLIDAY PLAZA ADDITION, as surveyed, platted and recorded, now being a part of the City of Lexington, all in Dawson County, Nebraska,

Dated: 3/21/2000

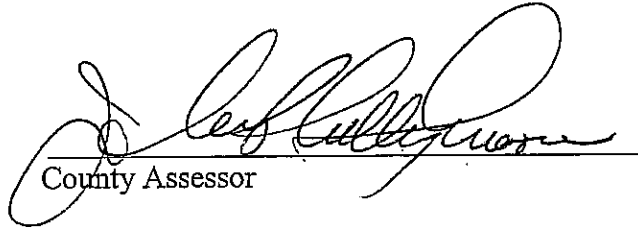
County Treasurer



I hereby certify pursuant to Section 18-2143, R.R.S Neb. 1997, that the Redevelopment Project Valuation (value as of January 1, 2000) on such project is \$ 86,668

Dated: 3-21-00

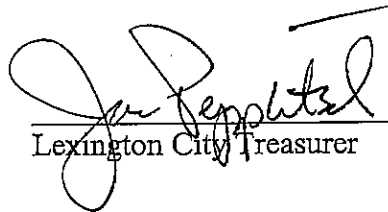
County Assessor



RECEIPT OF TREASURER

The undersigned City Treasurer of the City of Lexington, Nebraska, as Treasurer of the Community Redevelopment Authority of the City of Lexington, Nebraska, hereby certifies that he has received proceeds of the Authority's Community Redevelopment Revenue Bonds (Lexington Lodging Project) Series 1999C in the amount of \$342,000.00 and has applied such proceeds as provided in the Resolution of the Authority dated August 23, 1999, authorizing issuance of the Bonds.

Dated: August 23, 1999.



Lexington City Treasurer