

## **ECONOMIC DEVELOPMENT FORGIVABLE LOAN AGREEMENT**

This Development Agreement is entered into between the City of North Liberty, Iowa (the “City”) and UCD Holdings, LLC (the “Developer”) as of May 13, 2025 (the “Commencement Date”). The City and the Developer are sometimes referred to herein collectively as the “Parties” and each individually as a “Party”.

WHEREAS, the City has established the North Liberty Urban Renewal Area (the “Urban Renewal Areas”), and will adopt a tax increment ordinance for the Urban Renewal Areas; and

WHEREAS, the Developer has proposed to acquire certain real property situated in the Urban Renewal Area and more particularly described on Exhibit A hereto (the “Property”);

WHEREAS, the Developer has further proposed to undertake the redevelopment of the Property (“Redevelopment Project”) including the (i) acquisition of the Property; (ii) the relocation of the facilities and implements of BCI Lumber situated on the Property (the “Relocation Project”); (iii) the demolition of existing buildings and the site clearance and preparation (the “Demolition and Site Preparation Project”) on the Property necessary for future residential and commercial development thereon; (iv) the construction of public infrastructure improvements (the “Public Infrastructure Project”) necessary for future commercial and residential development on the Property; (v) the construction of private infrastructure improvements (the “Private Infrastructure Project”) necessary for future commercial and residential development on the Property; and (vi) the promotion of future commercial and residential development on the Property (the “Commercial and Residential Development Project”); and

WHEREAS, the Developer has requested that the City provide financial assistance in the form of an economic development forgivable loan (the “Forgivable Loan”) to be used by the Developer in paying the costs of acquiring the Property, undertaking the Demolition and Site Preparation Project, undertaking the Public Infrastructure Project, and undertaking the Private Infrastructure Project on the Property; and

WHEREAS, the Developer hereby acknowledges that the City will enter into a loan agreement and issue its Taxable General Obligation Urban Renewal Bonds, Series 2025A (the “Bonds”) in evidence thereof to finance the Forgivable Loan, and the Bonds are referenced herein for the purpose of determining the repayment installments due under the Forgivable Loan; and

WHEREAS, Chapter 15A of the Code of Iowa authorizes cities to provide grants, loans, guarantees, tax incentives and other financial assistance to or for the benefit of private persons;

NOW THEREFORE, the parties hereto agree as follows:

### **A. Representations and Warranties**

1. The City makes the following representations and warranties:

a. The City is a municipality organized under the provisions of the Constitution and the laws of the State and has the power to enter into this Agreement and carry out its obligations hereunder.

b. The execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, and the fulfillment of or compliance with the terms and conditions of this Agreement are not prevented by, limited by, in conflict with, or result in a breach of the terms, conditions, or provisions of any contractual restriction, evidence of indebtedness, agreement, or instrument of whatever nature to which the City is now a party or by which it is bound, nor do they constitute a default under any of the foregoing.

c. All covenants, stipulations, promises, agreements, and obligations of the City contained herein shall be deemed to be the covenants, stipulations, promises, agreements, and obligations of the City only, and not of any governing body member, officer, agent, servant, or employee of the City in the individual capacity thereof.

2. Representations and Warranties of Developer. Developer makes the following representations and warranties:

a. The Developer is a limited liability company, duly organized and validly existing under the laws of the State of Iowa, and it has all requisite power and authority to own and operate its properties, to carry on its business as now conducted and as presently proposed to be conducted, and to enter into and perform its obligations under the Agreement.

b. This Agreement has been duly and validly authorized, executed, and delivered by Developer and, assuming due authorization, execution, and delivery by the City, is in full force and effect and is a valid and legally binding instrument of Developer enforceable in accordance with its terms, except as the same may be limited by bankruptcy, insolvency, reorganization, or other laws relating to or affecting creditors' rights generally.

c. The execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, and the fulfillment of or compliance with the terms and conditions of this Agreement are not prevented by, limited by, in conflict with, or result in a violation or breach of the terms, conditions, or provisions of the governing documents of Developer or of any contractual restriction, evidence of indebtedness, agreement, or instrument of whatever nature to which Developer is now a party or by which it or its property is bound, nor do they constitute a default under any of the foregoing.

d. There are no actions, suits or proceedings pending or threatened against or affecting Developer in any court or before any arbitrator or before or by any governmental body in which there is a reasonable possibility of an adverse decision which could materially adversely affect the business (present or prospective), financial position, or results of operations of Developer or which in any manner raises any questions affecting the validity of the Agreement or Developer's ability to perform its obligations under this Agreement.

e. Developer has not received any notice from any local, State, or federal official that the activities of Developer with respect to the Property may or will be in violation of any environmental law or regulation (other than those notices, if any, of which the City has previously been notified in writing). Developer is not currently aware of any State or federal claim filed or planned to be filed by any party relating to any violation of any local, State, or federal

environmental law, regulation or review procedure applicable to the Property, and Developer is not currently aware of any violation of any local, State, or federal environmental law, regulation or review procedure which would give any person a valid claim under any State or federal environmental statute with respect thereto.

**B. Developer's Covenants**

**1. Property Acquisition.** The Developer agrees to acquire the Property in phases (each, a "Property Acquisition Phase") in accordance with the timeline set forth on Exhibit B hereto. Further the Developer agrees that purchase price for each Property Acquisition Phase shall not exceed the purchase price set forth in Exhibit B hereto.

**2. Relocation Project.** The Developer agrees to cause the completion of the Relocation Project by December 31, 2025. The Relocation Project shall minimally include assisting BCI Lumber relocate all of its facilities and implements from the Property to certain real property situated at 715 and 745 Liberty Way in the City.

**3. Demolition and Site Preparation Project.** The Developer agrees to undertake the Demolition and Site Preparation Project in reasonable compliance with the timeline set forth on Exhibit C hereto. Prior to undertaking the Demolition and Site Preparation Project, the Developer will obtain permits, as applicable, from the City Building Department and submit copies of all engineering documents, as applicable, to the City for review. The City may request reasonable changes in such documents, to ensure compliance with any applicable ordinances or regulations.

**4. Public Infrastructure Project.** The Developer agrees to cause or provide for the construction of the Public Infrastructure Project in accordance with the timeline and specifications set forth in one or more development agreements to be entered into between the Developer and the City for every phase of subdivision development on the Property, prior to final subdivision plat approval for each such phase.

Upon completion of each phase of the Public Infrastructure Project, provided that (i) such improvements are of the type ordinarily dedicated to the City; (ii) the City confirms to the Developer in writing that such completed improvements meet City requirements; and (iii) the City accepts such Public Infrastructure Project in accordance with State law, the Developer will provide the City with either a deed or permanent easement to the improvements and related right-of-way comprising the Commercial Infrastructure Project, which shall thereafter be maintained by the City.

**5. Private Infrastructure Project.** The Developer agrees to cause the construction of the Private Infrastructure Project in accordance with the timeline set forth on Exhibit C hereto. Prior to constructing the Private Infrastructure Project, the Developer will submit copies of all engineering documents related to the proposed Private Infrastructure Project to the City for review. The City may request reasonable changes in such documents, to ensure compliance with any applicable ordinances or regulations.

**6. Commercial and Residential Project Development.** The Developer agrees to use best efforts to promote the development of the Property to its highest and best commercial and residential uses. The Developer has submitted a detailed concept plan (the “Concept Plan”) for the development of the Commercial and Residential Development Project to the City. The Concept Plan is attached hereto as Exhibit F. The Developer agrees to cause the development of the Property in accordance with the Concept Plan and all local zoning, land use, building and safety codes and regulations of the City.

While the Developer maintains ownership of the Property, the Developer agrees to maintain, preserve, and keep the Property useful and in good repair and working order, ordinary wear and tear excepted, and from time to time will make all necessary repairs, replacements, renewals, and additions. The Developer agrees that it shall not erect or permit the erection of any merchandise stands, tents, kiosks, temporary structures, or similar installations on the Property. Further, the Developer agrees to maintain compliance with local zoning, land use, building and safety codes and regulations.

The Developer acknowledges that the right of the Developer to receive loan forgiveness (as described in Section C.2 of this Agreement) is conditioned upon the development and completion of the Commercial and Residential of the Project on the Property.

**7. Project Budget.** The Developer has caused to be prepared the budget (the “Project Budget”) attached hereto as Exhibit G for the Redevelopment Project. The Developer agrees to make commercially reasonable efforts to complete the Redevelopment Project within the total Project Budget. The Developer shall notify the City of any anticipated budget overages and seek approval from the City before exceeding the Project Budget. Any adjustments to the Project Budget must be agreed upon in writing by both parties. The Developer hereby agrees that the City shall have the right to stop disbursements of the Forgivable Loan under Section C.2 if it exceeds the Project Budget.

**8. Forgivable Loan Disbursement Requests.** The Developer agrees to submit periodic Forgivable Loan disbursement requests (Each, a “Forgivable Loan Disbursement Request”) to the City, as follows:

Property Acquisition Disbursement Requests

Except for the closing of the Property Acquisition Phase scheduled on May 14, 2025, at least two (2) days prior to the date of closing (each an “Acquisition Date”) of the real estate transaction for each Property Acquisition Phase as identified on Exhibit B hereto the Developer agrees to submit a disbursement request (each, a “Property Acquisition Disbursement Request”) requesting that the City advance the proceeds of the Forgivable Loan in order to cover the costs (the “Property Acquisition Costs”) of the applicable Property Acquisition Phase. Further, in each Property Acquisition Disbursement Request, the Developer may also request that the City advance proceeds of the Forgivable Loan to cover costs (the “Relocation Project Costs” as defined below) incurred by the Developer in connection with the Relocation Project attributable to the applicable Property Acquisition Phase. The sum of the Property Acquisition Costs and Relocation Project Costs attributable to each Property Acquisition Phase shall not materially exceed the amounts set forth in Exhibit B hereto.

Each Property Acquisition Disbursement Request will be accompanied by closing statements, purchase agreements, invoices and such other documentation as is reasonably requested by the City confirming that the Property Acquisition Costs and Relocation Project Costs have been or will be incurred by the Developer on the applicable Property Acquisition Date.

For the purposes of this Agreement, Property Acquisition Costs shall include, for each applicable Property Acquisition Phase (a) the purchase price of the applicable Property Acquisition Phase; (b) closing costs; (c) legal fees related to the applicable Property Acquisition Phase; (c) costs associated with environmental testing, assessments, and remediation; (d) Soft Costs (as hereinafter defined); (f) other costs reasonably related to carrying out the applicable Property Acquisition Phase; and (g) all costs for the items listed on Exhibit D attached hereto related to the applicable Property Acquisition Phase.

#### Relocation Project Costs Requests

For any Relocation Project Costs that are not included with a Property Acquisition Disbursement Request, the Developer agrees to submit periodic a disbursement request (each, a “Relocation Project Cost Disbursement Request”) requesting that the City advance a portion of the Forgivable Loan Proceeds in order to cover a portion of the Relocation Project Costs.

Each Relocation Project Cost Disbursement Request will be accompanied by an invoice from the Developer’s general contractor for the Relocation Project and such other documentation as is reasonably requested by the City confirming that the Relocation Project Costs detailed in the Relocation Project Cost Disbursement Request were in fact incurred in the completion of the Relocation Project and are of an amount reasonably to have been expected with respect to the completion thereof. Each Relocation Project Cost Disbursement Request will also be accompanied by AIA Form G702 or G703.

For purposes of this Agreement, Relocation Projects Costs shall include costs incurred by the Developer to relocate tenants of the Property, including any and all incentives and economic concessions provided by the Developer to such tenants including, but not limited to, rent concessions, security deposit concessions, moving expenses, buildout expenses, fees to acquire a new leasable space for the tenants and all costs for items listed on Exhibit D hereto that are attributable to the Relocation Project.

#### Improvement Disbursement Requests

The Developer agrees to submit periodic Forgivable Loan disbursement requests for improvements (each, an “Improvement Disbursement Request”) to the City requesting that the City advance a portion of the proceeds of the Forgivable Loan in order to cover, as applicable, (a) a portion of the costs (the “Demolition and Site Preparation Costs”) of the Demolition and Site Preparation Project, (b) a portion of the costs (the “Public Infrastructure Costs”) of the Public Infrastructure Project; or (c) a portion of the costs (the “Private Infrastructure Costs”) of the Private Infrastructure Project. The Developer further agrees that it will submit no more than two (2) Improvement Disbursement Requests per month to the City.

Each Improvement Disbursement Request will be accompanied by an invoice from the Developer’s general contractor for the Demolition and Site Preparation Project, the Public

Infrastructure Project, or the Private Infrastructure Project, as applicable, and such other documentation as is reasonably requested by the City confirming that the Demolition and Site Preparation Costs, the Public Infrastructure Costs, or the Private Infrastructure Costs, as applicable, detailed in the Improvement Disbursement Request were in fact incurred in the completion of the Demolition and Site Preparation Project, the Public Infrastructure Project, or the Private Infrastructure Project, as applicable, and are of an amount reasonably to have been expected with respect to the completion thereof. Each Improvement Disbursement Request will also be accompanied by AIA Form G702 or G703.

For the purposes of this Agreement, the Demolition and Site Preparation Costs include all costs relating to demolition of existing buildings on the Property, the removal of debris related to such demolition, environmental remediation, costs of grading the Property, Soft Costs, all costs for the items listed on Exhibit D attached hereto that are related to the Demolition and Site Preparation Project, and other reasonably related costs of carrying out the Demolition and Site Preparation Project.

For purposes of this Agreement, the Public Infrastructure Costs include all infrastructure-related land acquisition costs, cost of planning, designing and constructing the Public Infrastructure Project, landscaping and grading all land for the Public Infrastructure Project, Soft Costs, all costs for the items listed on Exhibit D attached hereto that are related to the Public Infrastructure Project, and other reasonably related costs of carrying out the Public Infrastructure Project.

For purposes of this Agreement, the Private Infrastructure Costs include all infrastructure-related land acquisition costs, cost of planning, designing and constructing the Private Infrastructure Project, landscaping and grading all land for the Private Infrastructure Project, Soft Costs, all costs for the items listed on Exhibit D attached hereto that are related to the Private Infrastructure Project, and other reasonably related costs of carrying out the Private Infrastructure Project.

#### Soft Costs

For purposes of this Agreement, Soft Costs shall include all design, engineering, developer fees, professional fees, accounting and legal fees, and overhead fees of the Developer.

#### Form and Timing of Disbursement Requests; Project Budget

Each Property Acquisition Disbursement Request and Improvement Disbursement Request submitted under this Section B.8 shall be in the form attached hereto as Exhibit H and shall include an updated Project Budget demonstrating that the Developer has sufficient financial resources to complete the Redevelopment Project and any lien waivers, if applicable, requested by the City.

**9. Forgivable Loan.** The Developer agrees to apply the proceeds (the “Loan Proceeds”) of the Forgivable Loan exclusively to the payment and/or reimbursement of the Property Acquisition Costs, the Relocation Project Costs, the Demolition and Site Preparation Costs, the Public Infrastructure Costs, the Private Infrastructure Costs, and the Soft Costs.

The Developer agrees to execute and deliver to the City a Promissory Note (the “Note”) in the principal amount of \$20,000,000 in substantially the form attached hereto as Exhibit I, in evidence of the Developer’s obligations under this section. The Developer agrees that Loan Proceeds will not be advanced by the City until the Developer executes and delivers the Note to the City.

During the period commencing on the Note Date and continuing to, and including, May 31, 2027 (the “Draw Period”), advances (each an “Advance”) on the Note may be requested by the Developer pursuant to Section C.2 of this Agreement. The date and amount of each Advance shall be entered by the City on a Schedule of Advances on the Note. All principal not drawn as an Advance by the end of the Draw Period shall be applied as a mandatory prepayment of principal and shall be applied in inverse order of maturity.

The Developer agrees to remit payment under the Forgivable Loan in the aggregate amount of THIRTY-FIVE MILLION FOUR HUNDRED AND FOUR THOUSAND EIGHT HUNDRED SEVENTY-EIGHT DOLLARS\* (\$35,404,878) (the “Total Installment Amount”), unless sooner forgiven in accordance with the terms of this Agreement or made subject to acceleration in accordance with Section C.2(a)(ii) of this Agreement, on the dates (each an “Installment Due Date”) and in the amounts shown on the Installment Schedule\* attached as Exhibit B to the Note. The Developer acknowledges that the Total Installment Amount and the Installment Schedule will be amended by the City’s municipal financial advisor to reflect an amortization of the total principal and interest scheduled to be paid by the City under its issuance of the Bonds, once such schedule has been established by the sale of the Bonds. The Installment Schedule shall be further updated at each Forgiveness Date.

Payment of installments of principal of and interest on the Loan shall be made to the City of North Liberty at the Office of the City Clerk, City Hall, 360 N. Main, North Liberty, Iowa 52317 on each Installment Due Date.

Principal of the Loan is subject to prepayment without penalty by the Developer in any amount at any time.

The Loan shall have such additional terms and conditions as provided for in the Note.

**10. Mortgages.** Beginning on the Commencement Date and continuing through and including September 15, 2025, the Developer agrees to secure its obligations under the Loan by executing, delivering and properly recording first mortgages (the “First Mortgages”) in favor of the City, thereby granting to the City a first priority security interest in the Property described on Exhibit A hereto. The First Mortgages shall be in substantially the form as shall be presented to the City by the Developer, subject to reasonable negotiation and modification. The City shall subordinate the mortgages on the Second Priority Property (defined below) upon the request of Developer. Such action may be taken by City staff without the need for approval by the City Council.

After September 15, 2025, the Developer agrees to secure its obligations under the Forgivable Loan by executing, delivering and properly recording First Mortgages in favor of the City, thereby granting to the City a first priority security interest in a portion of the Property (the

“First Priority Property”) described on Exhibit J hereto. The First Mortgages shall be in substantially the form as shall be presented to the Developer by the City, subject to reasonable negotiation and modification.

The Developer agrees to secure its obligations under the Forgivable Loan by executing, delivering and properly recording second mortgages (the “Second Mortgages”) in favor of the City, thereby granting to the City a second priority security interest in a portion (the “Second Priority Property”) of the Property described on Exhibit J hereto. The Second Mortgages shall be in substantially the form as shall be presented to the City by the Developer, subject to reasonable negotiation and modification.

**11. Property Taxes.** While the Developer maintains ownership of the Property, the Developer agrees to make or ensure timely payment of all property taxes as they come due with respect to the Property with the completed Project thereon throughout the Term of this Agreement.

**12. No Abatement; No Property Tax Exemption.** While the Developer maintains ownership of the Property, the Developer agrees that it will not seek any tax exemption or abatement either presently or prospectively authorized under any State, federal or local law with respect to taxation of the Property throughout the Term of this Agreement including by causing or allowing the Property to be leased, sold, transferred to or otherwise used by an entity that is exempt from property taxes under the laws of the State of Iowa.

**13. Minimum Assessment Agreements.** At such time as a site plan is submitted for the Commercial and Residential Project Development, or any phase thereof, the Developer agrees to enter into, or to cause future developers of the Property to enter into, one or more assessment agreements (each an “Assessment Agreement”), pursuant to Section 403.6 of the Code of Iowa. Each Assessment Agreement shall fix the total minimum assessed valuation of the Property, or a portion or portions thereof (the “Minimum Assessment Parcels”), based on the value anticipated to be added by the Commercial and Residential Development Project, or the applicable phase thereof.

The Minimum Assessed Valuation for the Minimum Assessment Parcels shall be established on the Johnson County property tax rolls as of such date as will be determined by the City.

The requirements set forth in this Section A.13 shall constitute a condition precedent to the City’s approval of any site plan submitted for the Commercial and Residential Project Development, or any phase thereof. Each Assessment Agreement shall be in substantially the form attached hereto as Exhibit K and shall remain in effect throughout the Term of this Agreement.

**14. Intercreditor Agreement.** [Reserved]

**C. City’s Obligations.**

**1. Review of Disbursement Requests.**

The City staff will review each Forgivable Loan Disbursement Request upon receipt from the Developer. If the City staff determines that a Forgivable Loan Disbursement Request satisfies



the requirements of Section B.8 above, then the City staff must deliver the Loan Proceeds to the Developer, then the City shall record a summary of the date, amount and nature of such costs (the "Accepted Costs") on the Summary of Accepted Costs attached hereto as Exhibit L, and such summary shall be the official record of the Accepted Costs for purposes of tallying the Maximum Forgivable Loan Amount (as hereinafter defined) allowed to the Developer under this Agreement.

In the event that the City reasonably determines that a Property Acquisition Disbursement Request received from the Developer does not meet the requirements of Section B.8 above, then the City shall notify the Developer within twenty-four (24) hours of such determination in order to allow an opportunity for the Developer to cure the noted deficiencies.

In the event that the City reasonably determines that a Relocation Project Cost Disbursement Request received from the Developer does not meet the requirements of Section B.8 above, then the City shall notify the Developer within seven (7) days of such determination in order to allow an opportunity for the Developer to cure the noted deficiencies.

In the event that the City reasonably determines that an Improvement Disbursement Request received from the Developer does not meet the requirements of Section B.8 above, then the City shall notify the Developer within seven (7) days of such determination in order to allow an opportunity for the Developer to cure the noted deficiencies.

## **2. Forgivable Loan Disbursements.**

The City hereby agrees to fund the Forgivable Loan through a series of disbursements (the "Forgivable Loan Disbursements" and, each, individually a "Forgivable Loan Disbursement") to the Developer, in an aggregate maximum amount (the "Maximum Forgivable Loan Amount") equal to the lesser of (i) seventy-four percent (74%) of the Accepted Costs, or (ii) \$20,000,000, in accordance with this Section C.2.

Beginning on the Commencement Date of this Agreement and continuing through September 15, 2025, the City agrees to make a Forgivable Loan Disbursement (each a "Property Acquisition Disbursement") to the Developer in an amount equal to one hundred percent (100%) of the Accepted Costs reflected in such Property Acquisition Disbursement Request within one (1) days of receipt from the Developer of an acceptable Property Acquisition Disbursement Request.

Beginning after September 15, 2025, the City agrees to make a Forgivable Loan Disbursement (each a "Property Acquisition Disbursement") to the Developer in an amount equal to seventy-four percent (74%) of the Accepted Costs reflected in such Property Acquisition Disbursement Request within three (3) days of receipt from the Developer of an acceptable Property Acquisition Disbursement Request.

No Property Acquisition Disbursement shall be funded, unless and until the requirements of a Property Closing Checklist in the form set forth as Exhibit M hereto have been satisfactorily completed and the relevant Mortgage interest in the portion of the Property being acquired has been conveyed.

Within fifteen (15) days of receipt from the Developer of an acceptable Improvement Disbursement Request, the City agrees to make a Forgivable Loan Disbursement to the Developer

in an amount equal to seventy-four percent (74%) of the Accepted Costs reflected in such Improvement Disbursement Request.

No Forgivable Loan Disbursement shall be made after the expiration of the Draw Period as set forth in the Note.

**3. Loan Forgiveness.** Amounts due under the Forgivable Loan shall be forgiven annually on each May 1 (each, herein referred to as a “Forgiveness Date”), during the Term (as hereinafter defined) of this Agreement, commencing May 1, 2029 and continuing to, and including, May 1, 2049. The amount of forgiveness on each Forgiveness Date shall be equal to the amount of Incremental Property Tax Revenues (as hereinafter defined) that are received by the City from the Johnson County Treasurer, pursuant to the division of revenue in Section 403.19, as amended from time to time, of the Code of Iowa, that are attributable to the Property during the twelve (12) month period immediately preceding each Forgiveness Date.

For purposes of this Agreement, Incremental Property Tax Revenues are determined by: (1) determining the consolidated property tax levy (city, county, school, etc.) then in effect with respect to taxation of the Property; (2) subtracting (a) the debt service levies of all taxing jurisdictions, (b) the school district instructional support and physical plant and equipment levies and (c) any other levies which may be exempted from such calculation by action of the Iowa General Assembly; (3) multiplying the resulting modified consolidated levy rate times any incremental growth in the taxable valuation of the Property, as shown on the property tax rolls of Johnson County, above and beyond the Base Valuation (as hereinafter defined); and (4) deducting any property tax credits which shall be available with respect to the incremental valuation of the Property.

The base valuation of the Property for purposes of calculating Incremental Property Tax Revenues (as hereinafter defined) under Section 403.19 of the Code of Iowa and this Agreement is the assessed taxable value of the Property as of January 1, 2024 (the “Base Valuation”).

**D. Default and Remedies; Indemnification.**

**1. Default Provisions.**

The following shall be Events of Default under this Agreement, and the term “Event of Default” shall mean, whenever it is used in this Agreement (unless otherwise provided), any one or more of the following events:

- a. Failure by the Developer to acquire the Property in accordance with the terms and conditions of this Agreement.
- b. Failure by the Developer to complete the Relocation Project substantially in accordance with the terms and conditions of this Agreement.
- c. Failure by the Developer to complete the Demolition and Site Preparation Project substantially in accordance with the terms and conditions of this Agreement.

- d. Failure by the Developer to complete the Public Infrastructure Project substantially in accordance with the terms and conditions of this Agreement.
- e. Failure by the Developer to complete the Private Infrastructure Project substantially in accordance with the terms and conditions of this Agreement.
- f. Failure by the Developer to fully and timely remit payment of property taxes when due and owing.
- g. Failure by the Developer to cause the execution of the Assessment Agreements.
- h. The holder of any Mortgage (as hereinafter defined) on the Property commences foreclosure proceedings as a result of any default under the applicable Mortgage documents and such proceedings are not dismissed within ninety (90) days after commencement. For purposes of this Agreement, "Mortgage" means any mortgage or security agreement in which the Developer has granted a mortgage or other security interest in the Property, or any portion or parcel thereof, or any improvements constructed thereon.
- i. The Developer:
  - i. files any petition in bankruptcy or for any reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief under the United States Bankruptcy Act of 1978, as amended, or under any similar federal or state law; or
  - ii. makes an assignment for the benefit of its creditors; or
  - iii. admits in writing its inability to pay its debts generally as they become due; or
  - iv. is adjudicated as bankrupt or insolvent; or if a petition or answer proposing the adjudication of the Developer as bankrupt or either entity's reorganization under any present or future federal bankruptcy act or any similar federal or state law shall be filed in any court and such petition or answer shall not be discharged or denied within ninety (90) days after the filing thereof; or a receiver, trustee or liquidator of the Developer or the Data Center Campus Project, or part thereof, shall be appointed in any proceedings brought against the Developer, and shall not be discharged within ninety (90) days after such appointment, or if the Developer shall consent to or acquiesce in such appointment;
- j. Except as otherwise provided in this Agreement, failure by the Developer or the City to observe or perform any material term or condition of this Agreement.

## **2. Notice and Remedies.**

- a. Whenever any Event of Default described in this Agreement occurs, on account of the Developer, the City shall provide written notice to the Developer describing the cause of the Event of Default and the reasonable steps that must be taken by the

Developer in order to cure the Event of Default. The Developer shall have thirty (30) days after receipt of the notice to cure (or cause the cure of) the Event of Default if such default cannot be cured within such period, up to ninety (90) days provided the Developer diligently pursues the cure thereof, or has provided assurances reasonably satisfactory to the City, that the Event of Default will be cured as soon as reasonably possible. If the Developer fails to cure (or cause the cure of) the Event of Default or provide assurances and thereafter proceed to cure (or cause the cure of) the Event of Default according to those assurances, as during the continuance of an Event of Default, the City shall then have the right to:

- i. Pursue any action available to it, at law or in equity, in order to enforce the terms of this Agreement (provided, however, that the City shall not be entitled to the remedy of specific performance to require the Developer to construct all or any portion of the Project).
  - ii. Accelerate the due date of the then-outstanding principal amount of the Forgivable Loan, which amount shall become due and owing within thirty (30) days of the provision of a written notice of such acceleration by the City to the Developer without presentment, demand, protest or other notice of any kind, all of which are hereby expressly waived, anything in this Agreement to the contrary notwithstanding
  - iii. Suspend its performance under this Agreement until it receives assurances from the Developer, deemed adequate by the City, that the Developer will cure its default and continue its performance under this Agreement.
  - iv. Terminate this Agreement.
- b. Whenever any Event of Default described in this Agreement occurs, on account of the City, the Developer shall provide written notice to the City describing the cause of the Event of Default and the steps that must be taken by the City in order to cure the Event of Default. The City shall have thirty (30) days after receipt of the notice to cure the Event of Default or to provide assurances reasonably satisfactory to the Developer that the Event of Default will be cured as soon as reasonably possible. If the City fails to cure the Event of Default or provide assurances and thereafter proceed to cure the Event of Default according to those assurances, as during the continuance of an Event of Default, the Developer shall then have the right to terminate this Agreement, and/or pursue any right or remedy available at law or in equity.

**3. No Remedy Exclusive.** No remedy herein conferred upon or reserved to the City or the Developer is intended to be exclusive of any other available remedy or remedies, but each and every remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity or by statute. Except as otherwise provided in this Agreement, no delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient.

4. **No Implied Waiver.** Neither Party may waive any condition or breach of any representation, term, or covenant or condition of this Agreement, except in a writing signed by the waiving Party and specifically describing the condition or breach waived. The waiver by either Party of any condition or breach of any representation, term, condition or covenant contained in this Agreement shall not be deemed to be a waiver of any other representation, term, condition or covenant or of any subsequent breach of the same or of any other representation, term, condition or covenant of this Agreement.

5. **Mutual Waiver of Consequential Damages.** Except in the case of gross negligence, bad faith or willful misconduct, for which claims for consequential damages are expressly reserved by the City and the Developer, the City and the Developer each hereby waive all claims against the other for any consequential or indirect damages that may arise out of or relate to this Agreement, except as set forth in Section C.6 of this Agreement.

6. **Indemnification.** Except to the extent arising from any willful misrepresentation, negligence or willful or wanton misconduct or any unlawful act of the City or as otherwise provided in Section C.5 of this Agreement, the Developer agrees to indemnify, defend and hold harmless the City, its officers, employees and departments, from and against any and all losses, liabilities, penalties, fines, damages, and claims (including taxes), and all related costs and expenses (including reasonable attorneys' fees and disbursements and costs of investigation, litigation, settlement, judgments, interest and penalties) arising from or in connection with any third-party claim, demand, action, citation or legal proceeding arising out of or resulting from any Event of Default by an act or omission of the Developer.

**E. Miscellaneous Provisions.**

1. **Assignment.** The Developer represents and agrees that, during the Term (as hereinafter defined) of this Agreement, the Developer will maintain its existence as a Developer and will not wind up, transfer, convey, or assign its interest in this Agreement to any other party unless: (i) the transferee, whether a partnership, corporation, limited liability Developer, individual, joint venture, or any other legal entity, assumes in writing all of the then-outstanding obligations of the Developer under this Agreement; and (ii) the City consents thereto in writing in advance thereof, which consent by the City shall not be unreasonably withheld, conditioned or delayed.

2. **Term.** The term (the "Term") of this Agreement shall commence on the Commencement Date and end on such earlier date upon which the Forgivable Loan is repaid in full by the Developer or forgiven in full by the City.

3. **Choice of Law.** This Agreement shall be deemed to be a contract made under the laws of the State of Iowa and for all purposes shall be governed by and construed in accordance with laws of the State of Iowa.

4. **Counterparts.** This Agreement may be executed in as many counterparts as may be deemed necessary and convenient, and by the City and the Developer in separate counterparts, each of which, when so executed, shall be deemed an original, but all such counterparts shall constitute one and the same instrument. A scanned, photocopied, or electronic

signature on this Agreement, any amendment hereto, or any notice delivered hereunder shall have the same legal effect as an original signature.

**5. Notices.** Except as otherwise expressly provided in this Agreement, a notice or other communication under the Agreement, by either the City or the Developer to the other, shall be sufficiently given or delivered if it is dispatched by registered or certified mail, postage prepaid, return receipt requested, or delivered personally, and:

a. In the case of the Developer, is addressed to or delivered personally to UCD Holdings, LLC, Attn: Brandon Pratt or Scott Wilson, 760 Liberty Way, North Liberty, IA 52317.

b. In the case of the City, is addressed to or delivered personally to City Administrator, City Hall, 360 N. Main St., North Liberty, Iowa 52317.

c. The City or the Developer may, upon written notice to the other, change the address to which such notices and demands are made.

**6. Estoppel Certificate.** At any time, and from time to time, either Party may deliver written notice to the other Party requesting that such other Party certify in writing that, to the knowledge of the certifying Party: (i) this Agreement is in full force and effect and a binding obligation of the Parties; (ii) this Agreement has not been amended or modified, or if amended or modified, a description of each such amendment or modification; (iii) the requesting Party is not then in breach of this Agreement, or if in breach, a description of each such breach; and (iv) any other factual matters reasonably requested (an “Estoppel Certificate”). The City Administrator or the City Administrator’s authorized designee may execute, on behalf of the City, any Estoppel Certificate requested by the Developer that is consistent with this Section. The City acknowledges that an Estoppel Certificate may be relied upon by transferees or successors in interest to the Developer and by Mortgagees holding an interest in the Property.

**7. Entire Agreement.** This Agreement, including all Exhibits attached hereto, contains the entire agreement between the Parties regarding the subject matter hereof, and all prior or contemporaneous communications or agreements between the Parties or their respective representatives with respect to the subject matter herein, whether oral or written, are merged into this Agreement and extinguished. No agreement, representation or inducement shall be effective to change, modify or terminate this Agreement, in whole or in part, unless in writing and signed by the Party or Parties to be bound by such change, modification or termination.

**8. Recordation and Successors in Interest.** This Agreement shall run with the Property and shall be binding upon any and all successors in interest to the Property. Following execution, this Agreement shall be promptly recorded by the City in the office of the County Recorder of Johnson County, Iowa.

*[Remainder of this page is blank. Signatures start on the next page.]*

CITY OF NORTH LIBERTY, IOWA,  
an Iowa municipal corporation

\_\_\_\_\_  
Chris Hoffman  
Mayor

ATTEST:

\_\_\_\_\_  
Tracey Mulcahey  
City Clerk

STATE OF IOWA     )  
                                  ) ss:  
COUNTY OF JOHNSON     )

On this \_\_\_\_ day of \_\_\_\_\_, 2025, before me a Notary Public in and for said County, personally appeared Chris Hoffman and Tracey Mulcahey, to me personally known, who being duly sworn, did say that they are the Mayor and City Clerk, respectively of the City of North Liberty, Iowa, a municipal corporation, created and existing under the laws of the State of Iowa and that said record was signed on behalf of said municipal corporation by authority and resolution of its City Council as contained in Roll Call No. \_\_\_\_\_, passed on the \_\_\_\_\_ day of \_\_\_\_\_, 2025, and said Mayor and City Clerk acknowledged said record to be the free act and deed of said municipal corporation by it voluntarily executed.

\_\_\_\_\_  
Notary, State of Iowa

*[City Signature Page – Economic Development Forgivable Loan Agreement]*

By: \_\_\_\_\_  
\_\_\_\_\_, Its \_\_\_\_\_

This record was acknowledged before me on \_\_\_\_\_, 2025, by \_\_\_\_\_ as \_\_\_\_\_ of \_\_\_\_\_, LLC, an \_\_\_\_\_ organized under the laws of the State of Iowa.

[Developer Signature Page – Economic Development Forgivable Loan Agreement]



## EXHIBIT A

### LEGAL DESCRIPTION OF THE PROPERTY

BEGINNING at the Northeast Corner of Auditor's Parcel 2015057, to North Liberty, Iowa, in accordance with the Plat thereof Recorded in Plat Book 59 at Page 302 of the Records of the Johnson County Recorder's Office; Thence S00°41'49"E, along the Westerly Right-of-Way Line of the CRANDIC Railroad, 1302.90 feet, to its intersection with the South Line of the Southwest Quarter of the Southeast Quarter of Section 12, Township 80 North, Range 7 West, of the Fifth Principal Meridian; Thence N89°52'57"W, along said South Line, 383.91 feet, to the Southeast Corner of Green Subdivision, in accordance with the Plat thereof Recorded in Plat Book 38 at Page 161 of the Records of the Johnson County Recorder's Office; Thence N00°41'24"W, along the East Line of said Green Subdivision, 285.41 feet; Thence S89°15'52"E, along said East Line, 55.47 feet; Thence N00°44'37"W, along said East Line, and the Northerly Projection thereof, 1012.03 feet, to the Northwest Corner of the Parcel of Land depicted on the Plat of Survey, in accordance with the Plat thereof Recorded in Plat Book 5 at Page 70 of the Records of the Johnson County Recorder's Office; Thence N87°50'50"E, along the North Line of said depicted Parcel, 18.86 feet; Thence N88°15'03"E, along said North Line, 164.37 feet, to the Northwest Corner of the Parcel of Land depicted on the Plat of Survey, in accordance with the Plat thereof Recorded in Plat Book 11 at Page 71 of the Records of the Johnson County Recorder's Office; Thence N88°36'07"E, along the North Line of said depicted Parcel, 70.17 feet, to the Northeast Corner thereof; Thence S00°46'33"E, along the East Line of said depicted Parcel, 2.88 feet, to the Northwest Corner of said Auditor's Parcel 2015057; Thence N89°21'52"E, along said North Line, 75.83 feet, to the POINT OF BEGINNING. Said Proposed Rezoning Parcel contains 10.18 Acres, and is subject to easements and restrictions of record.

AND

BEGINNING at the Northwest Corner of Lindner First Addition, to North Liberty, Iowa, in accordance with the Plat thereof Recorded in Plat Book 32 at Page 329 of the Records of the Johnson County Recorder's Office; Thence N88°39'32"E, along the North Line of said Lindner First Addition, 314.96 feet, to the Northwest Corner of Auditor's Parcel 2022-029, in accordance with the Plat thereof Recorded in Plat Book 65 at Page 302 of the Records of the Johnson County Recorder's Office; Thence N88°45'47"E, along the North Line of said Auditor's Parcel 2022-029, a distance of 140.22 feet, to the Northeast Corner thereof; Thence S00°35'54"E, along the East Line of said Auditor's Parcel 2022-029, a distance of 5.00 feet; Thence N88°36'47"E, 64.54 feet, to a Point on the West Line of Auditor Parcel 2001018, in accordance with the Plat thereof Recorded in Plat Book 42 at Page 264 of the Records of the Johnson County Recorder's Office; Thence N33°38'35"E, along said West Line, 93.60 feet, to the Northwest Corner thereof; Thence S56°19'04"E, along the North Line of said Auditor Parcel 2001018, a distance of 97.79 feet; Thence Southeasterly, 205.72 feet, along said North Line, on a 330.00 foot radius curve, concave Northeasterly, whose 202.41 foot chord bears S74°10'37"E; Thence N87°50'50"E, along said North Line, 36.89 feet; Thence S00°44'37"E, along the East Line of said Auditor Parcel 2001018, a distance of 155.86 feet, to the Southeast Corner thereof; Thence S88°34'18"W, along the South Line of said Auditor Parcel 2001018, a distance of 319.34 feet; Thence S88°37'54"W, 110.00 feet, to a Point on the East Line of said Linder First Addition; Thence S00°41'18"E, along said East Line, 221.37 feet; Thence S01°51'41"E, 374.20 feet, to a

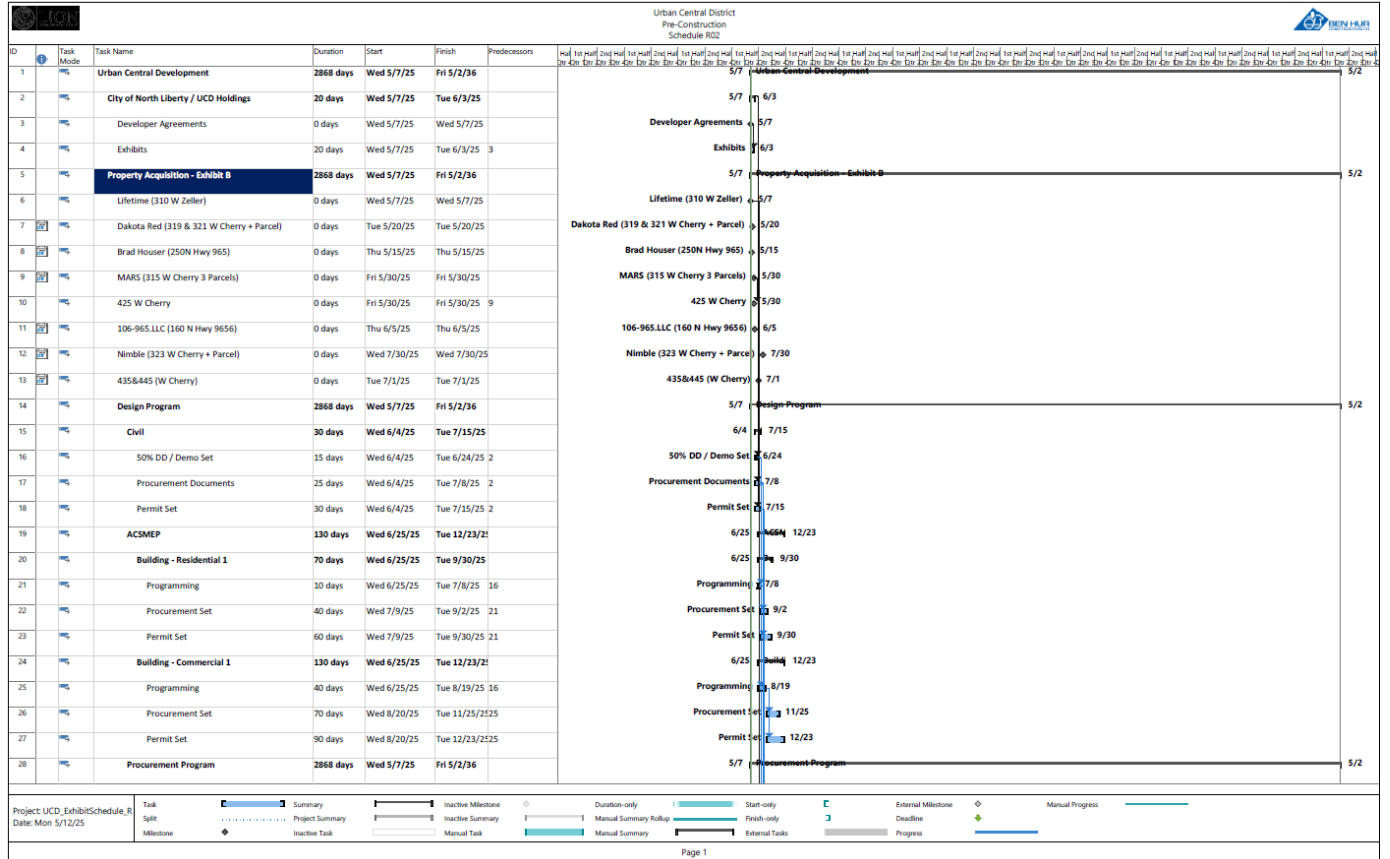
Point on the North Line of Green Subdivision, in accordance with the Plat thereof Recorded in Plat Book 38 at Page 161 of the Records of the Johnson County Recorder's Office; Thence N89°50'54"W, along said North Line, 409.91 feet; Thence N38°25'25"W, 57.80 feet, to a Point on the Easterly Right-of-Way Line of North Highway 965 (Ranshaw Way); Thence N01°15'42"W, along said Easterly Right-of-Way Line, 320.43 feet, to a Point on the South Line of said Lindner First Addition; Thence S89°04'38"W, along said South Line, 9.87 feet, to the Southwest Corner thereof; Thence N01°16'39"W, along said Easterly Right-of-Way Line , and the West Line of said Lindner First Addition, 418.48 feet, to the POINT OF BEGINNING. Said Proposed Rezoning Parcel contains 10.04 Acres, and is subject to easements and restrictions of record.

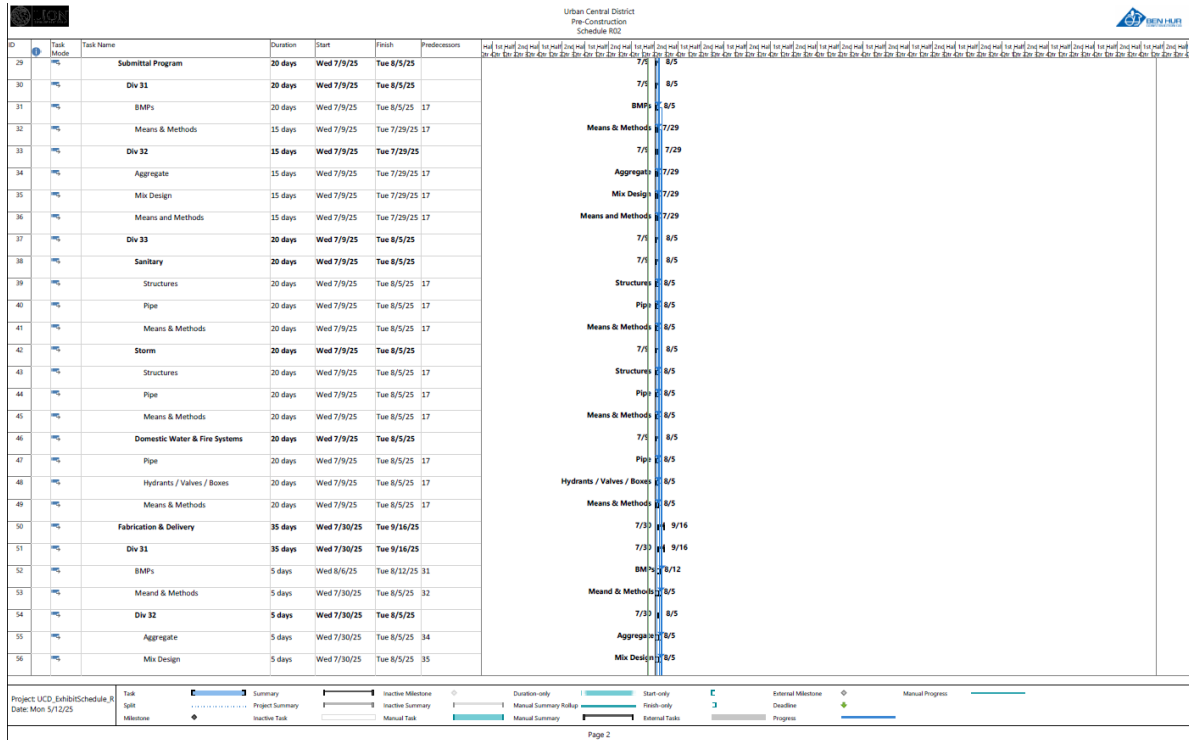
**EXHIBIT B**  
**TIMELINE OF REAL ESTATE ACQUISITIONS**

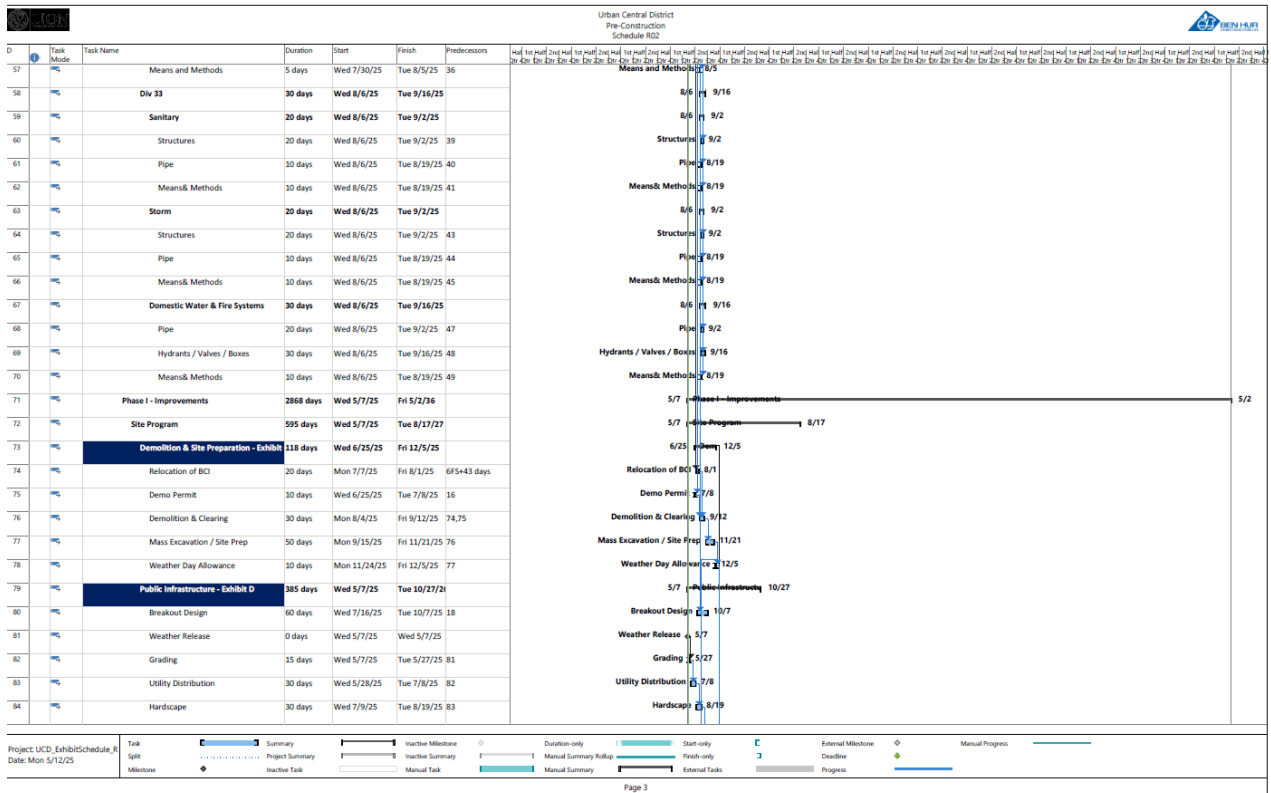
Date		5/14/2025	
Parcel	Bucket	Draw 1	
Lifetime	Site Acq	\$ 950,000	\$ 950,000
	Total	<b>\$ 950,000</b>	<b>\$ 950,000</b>
Date		5/15/2025	
Parcel	Bucket	Draw 2	
Brad Houser	Site Acq	\$ 2,625,000	\$ 2,625,000
	Total	<b>\$ 2,625,000</b>	<b>\$ 2,625,000</b>
Date		5/20/2025	
Parcel	Bucket	Draw 3	
Dakota Red	Site Acq	\$ 950,000	\$ 950,000
	Total	<b>\$ 950,000</b>	<b>\$ 950,000</b>
Date		5/31/2025	
Parcel	Bucket	Draw 4	
425 W Cherry	Site Acq	\$ 295,000	\$ 295,000
	Total	<b>\$ 295,000</b>	<b>\$ 295,000</b>
Date		6/5/2025	
Parcel	Bucket	Draw 5	
160-965,LLC	Site Acq	\$ 3,700,000	\$ 3,700,000
	Total	<b>\$ 3,700,000</b>	<b>\$ 3,700,000</b>
Date		6/30/2025	
Parcel	Bucket	Draw 6	
Nimble	Site Acq	\$ 1,500,000	\$ 1,500,000
	Total	<b>\$ 1,500,000</b>	<b>\$ 1,500,000</b>
Date		7/1/2025	
Parcel	Bucket	Draw 7	
435&445	Site Acq	\$ 680,000	\$ 680,000
	Total	<b>\$ 680,000</b>	<b>\$ 680,000</b>
Date		7/15/2025	
Parcel	Bucket	Draw 8	
MARS	Site Acq	\$ 1,950,000	\$ 1,950,000
	Total	<b>\$ 1,950,000</b>	<b>\$ 1,950,000</b>

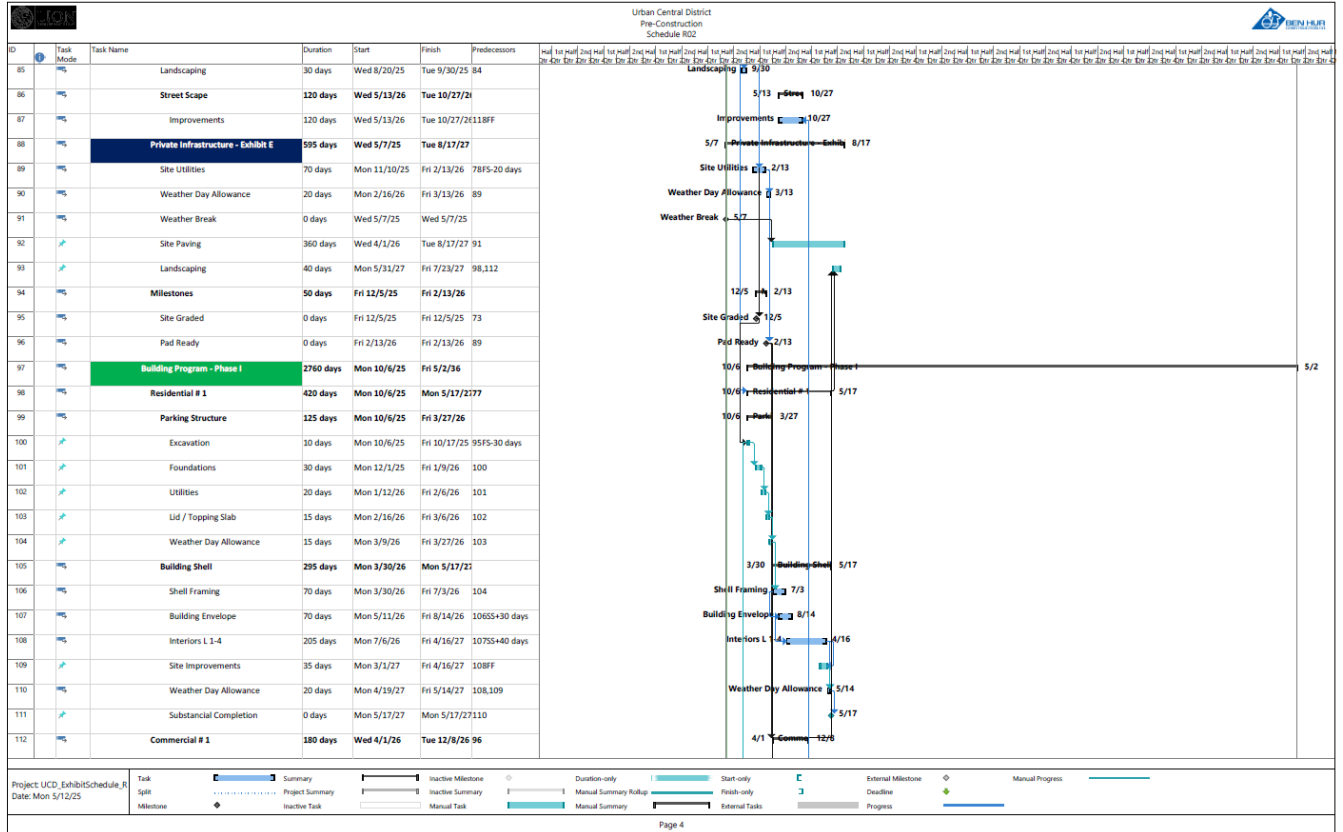
## EXHIBIT C

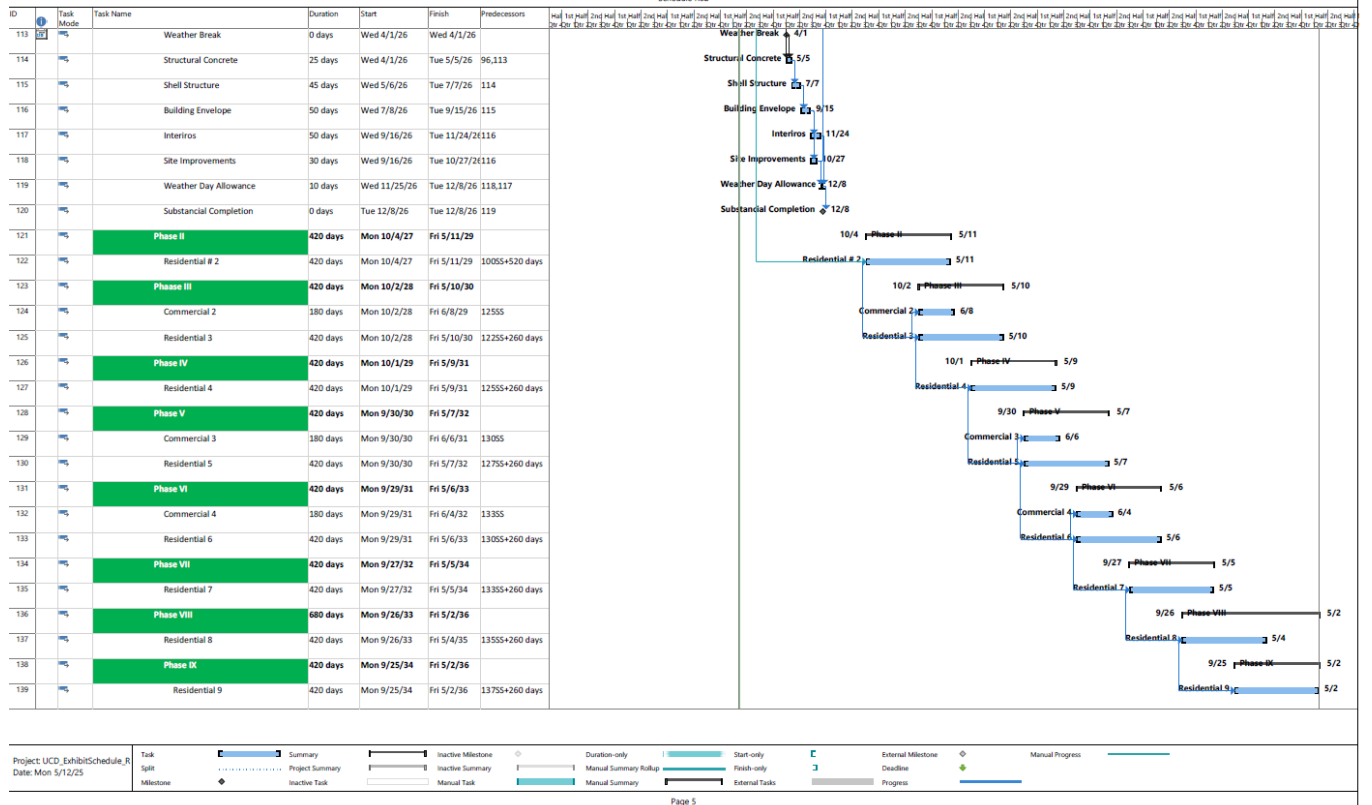
### TIMELINE AND SPECIFICATIONS OF DEMOLITION AND SITE PREPARATION PROJECT













**EXHIBIT D**  
**URBAN CENTRAL DISTRICT ELIGIBLE COSTS**

***Overall***

1. *Land Acquisition.*
2. *Building Demolition.*
  - 2.1. *Examples of covered work include but are not limited to:*
    - 2.1.1. *Asbestos testing, abatement and removal.*
    - 2.1.2. *Special material testing, abatement and removal.*
    - 2.1.3. *Disposal per local, state and federal guidelines.*
    - 2.1.4. *Site remediation.*
    - 2.1.5. *Leave site at demolition locations to sub grade conditions.*
3. *Railroad Costs for Spur Removal.*
4. *Site Grading.*
  - 4.1. *Examples of covered work include but are not limited to:*
    - 4.1.1. *Clearing.*
    - 4.1.2. *Mass grading, including filling and excavating stormwater basins to bring the sites to rough grade.*
    - 4.1.3. *SWPPP Systems.*
    - 4.1.4. *Import/export of soil.*
    - 4.1.5. *Soil improvements and remediation.*
    - 4.1.6. *Soil drying and/or conditioning.*
    - 4.1.7. *Staking and layout.*

***Public***

5. *Water.*
  - 5.1. *Complete domestic and fire water system with associated means and methods and accessories. Examples of covered work includes but is not limited to:*
    - 5.1.1. *Water mains.*
    - 5.1.2. *Connections at the mains with domestic water services and fire lines to within 10FT of the building line.*
    - 5.1.3. *Connections at the mains with lines to fire hydrants.*
6. *Sanitary Sewer.*
  - 6.1. *Complete sanitary sewer system with associated means and methods and accessories. Examples of covered work includes but is not limited to:*
    - 6.1.1. *Connections at the mains with services to within 10FT of the building line.*
7. *Storm Sewer.*
  - 7.1. *Examples of covered work include but are not limited to:*
    - 7.1.1. *Pipes, intakes, culverts, and structures necessary to convey upstream drainage through the site.*
8. *Public Streets.*
  - 8.1. *Examples of covered work includes but are not limited to:*
    - 8.1.1. *Locations include access off Public Streets:*
      - 8.1.1.1. *W Cherry St.*
      - 8.1.1.2. *W Zeller St.*
      - 8.1.1.3. *Ranshaw Way/N HWY 965*
      - 8.1.1.4. *Commercial Dr.*
    - 8.1.2. *Concrete aprons.*
    - 8.1.3. *Curb cuts.*
    - 8.1.4. *Traffic control.*

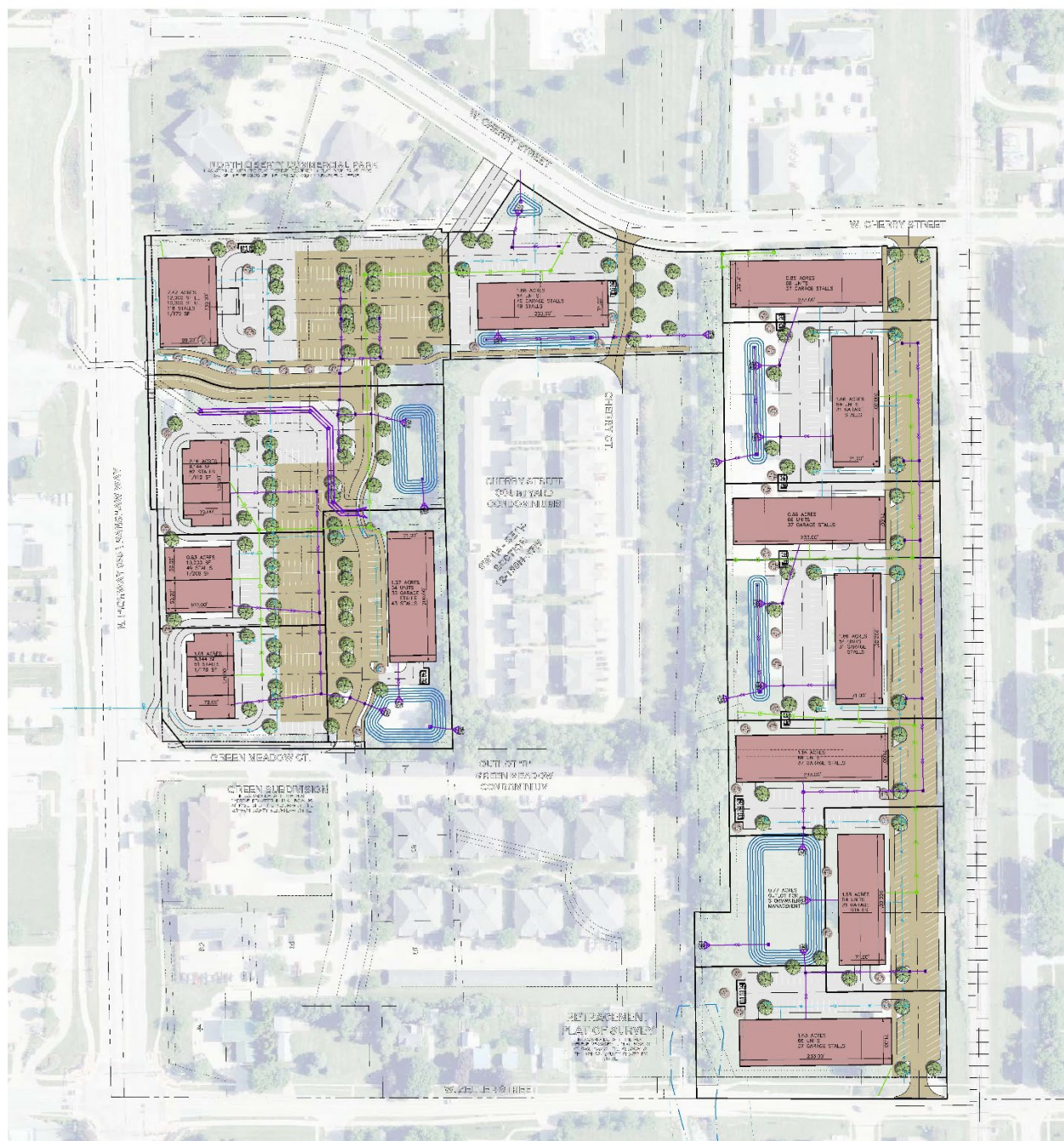
- 8.1.5. *Staking and layout.*
  - 8.1.6. *Soil improvements and treatments as required.*
- 9. Public Sidewalks.
  - 9.1. *Examples of covered work includes but is not limited to:*
    - 9.1.2.1. *Staking and layout.*
    - 9.1.2.2. *Soil improvements and treatments as required.*
- 10. Publicly-owned 8-foot-wide multi-use path providing connection from Ranshaw Way/N Highway 965 through the site and across Muddy Creek, the limits are shown (in tan) on the rendering in Exhibit D.
  - 10.1. *Examples of covered work includes but is not limited to:*
    - 10.1.1. Staking and layout.
    - 10.1.2. Soil improvements and treatments as required.
    - 10.1.3. Paving.
    - 10.1.4. Architectural/decorative lighting.
- 11. Decorative Streetscape Elements within the Ranshaw Way/N Highway 965 right-of-way.
  - 11.1. *Examples of covered work include but are not limited to:*
    - 11.1.1. Brick pavers.
    - 11.1.2. Seat walls.
    - 11.1.3. Landscaping.

#### **Private**

- 12. Private Streets, the limits of which are shown (in tan) on the rendering in Exhibit D.
- 13. Private Sidewalks along the Private Streets, the limits of which are shown (in tan) on the rendering in Exhibit D.
- 14. Storm Water Outlets and Control Structures within Detention Basins or Other Storm Water BMP Installations.
- 15. Artwork, Decorative Walls and Murals.
- 16. Hardscape, flatwork and paving on individual building lots, the limits of which are shown (in tan) on the rendering in Exhibit D.
  - 16.1. *Examples of covered work include but are not limited to:*
    - 16.1.1 Light duty, medium duty and heavy-duty pavement.
    - 16.1.2 Subbase preparation.
    - 16.1.3. Base rock
    - 16.1.4. Sub drainage as applicable.
    - 16.1.5. Concrete curbs and curb islands.
    - 16.1.6. Soil improvements as required.

*\*\* All associated scope and costs identified above shall also include all:*

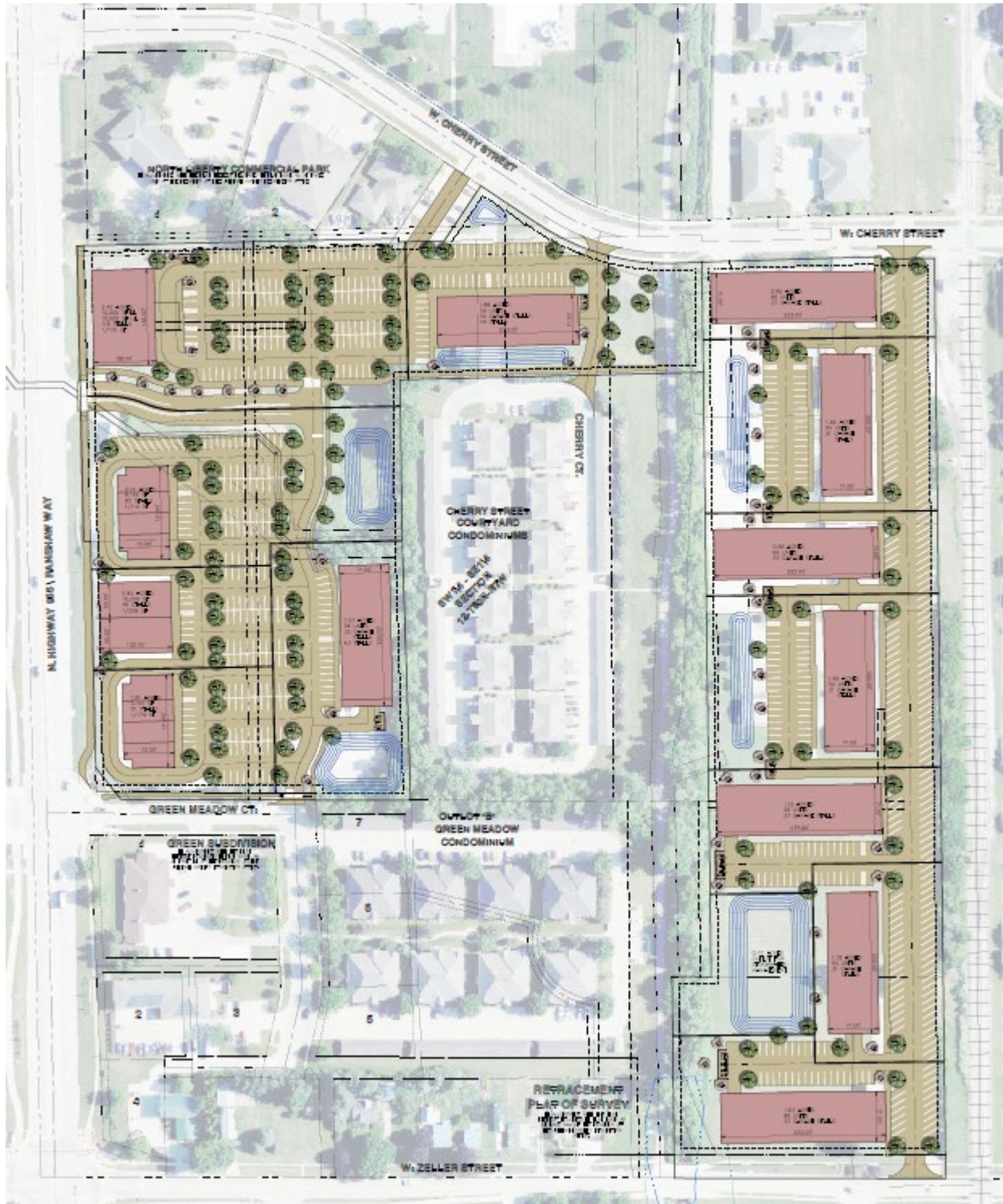
- 1. *Development Fees.*
- 2. *Soft Costs.*
- 3. *Taxes.*
- 4. *Design Fees.*
- 5. *Permit Fees (Local, State and Federal (As applicable))*
- 6. *General Conditions.*
- 7. *Construction Management.*
- 8. *Associated Insurance Costs*
- 9. *Sales and Use Tax.*



**EXHIBIT E**  
**TIMELINE AND SPECIFICATIONS OF PRIVATE INFRASTRUCTURE PROJECT**  
**[Reserved].**



EXHIBIT F  
CONCEPT PLAN



**EXHIBIT G**  
**PROJECT BUDGET**

<b>Central Acquisition</b>	
160-965, LLC	\$ 3,700,000
Brad Houser	\$ 2,625,000
W Cherry / Deb Carneol	\$ 680,000
Engineering/architect	\$ 543,426
Soft Costs (closing costs, attrny, environ, etc.)	\$ 295,700
Relocation expenses	\$ 932,000
Current RE Taxes 2 years	\$ 135,788
Developer Fee 3.5% of Site Acq Costs only	\$ 441,791
<b>Total Costs</b>	<b>\$ 9,353,705</b>
<b>Site Improvements</b>	
Ben Hur Construction (Improvement Costs)	\$5,617,591
Street Scape Premiums	\$524,261
<b>Total Costs</b>	<b>\$6,141,851</b>
<b>Total Acquisition &amp; Improvement Costs</b>	<b>\$ 15,495,556</b>

<b>East Acquisition</b>	
Dakota Red	\$ 950,000
MARS	\$ 1,950,000
Nimble	\$ 1,500,000
Lifetime	\$ 950,000
Buyout of leases/relocation expenses	\$ 152,265
Engineering/architect	\$ 595,000
Soft Costs (closing costs, attrny, environ, etc.)	\$ 455,000
Current RE Taxes 2 years	\$ 192,808
Developer Fee 3.5% of Site Acq Costs only	\$ 324,134
<b>Total Costs</b>	<b>\$ 7,069,207</b>
<b>Site Improvements</b>	
Ben Hur Construction Costs	\$3,910,976
Street Scape Premiums	\$524,261
<b>Total Costs</b>	<b>\$4,435,237</b>

<b>SOURCES</b>		<b>USES</b>	
Developer Contribution	\$ 7,000,000	Land Acquisition	\$ 12,355,000
City Funding	\$ 20,000,000	Site Prep	\$ 10,577,088
		Hard Costs	
		<b>Total Hard Costs</b>	<b>\$ 22,932,088</b>
		Soft Costs	\$ 3,301,987
		Developer Fee	\$ 765,925
		<b>Total Soft Costs</b>	<b>\$ 4,067,912</b>
<b>TOTAL</b>	<b>\$ 27,000,000</b>	<b>TOTAL</b>	<b>\$ 27,000,000</b>



**EXHIBIT I**  
**FORM OF PROMISSORY NOTE**  
**FORGIVABLE PROMISSORY NOTE**

**PRINCIPAL AMOUNT: \$20,000,000**

**Note Date: May 14, 2025**

**Final Maturity Date: June 1, 2049**

The undersigned UCD Holdings, LLC, an Iowa limited liability company, (the “Borrower”), for value received, promises to pay on the Final Maturity Date, to the City of North Liberty, Iowa (the “City”), its successors or assigns, the sum of THIRTY-FIVE MILLION FOUR HUNDRED AND FOUR THOUSAND EIGHT HUNDRED SEVENTY-EIGHT DOLLARS\* (\$35,404,878)(the “Total Installment Amount”) in lawful money of the United States of America, unless such amount is sooner paid or forgiven in accordance with the terms herein. \*The Borrower acknowledges that the Total Installment Amount will be amended to match the total principal and interest scheduled to be paid by the City under its issuance of Taxable General Obligation Urban Renewal Bonds, Series 2025A, once such schedule has been established by the sale of such bonds.

This Promissory Note is evidence of the Borrower’s obligations under that certain Economic Development Forgivable Loan Agreement (the “Loan Agreement”), dated May 14, 2025, between the Borrower and the City. Pursuant to the Loan Agreement, the City has agreed to extend a forgivable loan to the Borrower in multiple disbursements, subject to certain conditions set forth therein. Reference is hereby made to the Loan Agreement for a more complete description of the rights and obligations of the Borrower and the City.

During the period commencing on the Note Date and continuing to, and including May 31, 2027 (the “Draw Period”), advances (each an “Advance”) of principal in the maximum amount of TWENTY-MILLION DOLLARS (\$20,000,000) of this Promissory Note may be requested by duly authorized representatives of the Borrower in conformity with the requirements of the Loan Agreement. The date and amount of each Advance shall be entered by the City on the Schedule of Advances attached hereto as Exhibit A. All principal not drawn as an Advance by the end of the Draw Period shall be applied as a mandatory prepayment of principal on May 31, 2027 and shall be applied in inverse order of maturity.

Unless sooner forgiven or prepaid under the terms set forth in the Loan Agreement, amounts due under this Promissory Note shall be payable in 21 annual installments, due on June 1 in each year, commencing June 1, 2029 and continuing through, and including June 1, 2049 in such amounts as are set forth on Exhibit B\* attached hereto. \*The Borrower acknowledges that the Exhibit B Installment Schedule will be amended to reflect an amortization of the total principal and interest scheduled to be paid by the City under its issuance of Taxable General Obligation Urban Renewal Bonds, Series 2025A, once such schedule has been established by the sale of such bonds.

All payments under this Promissory Note shall be made to the City of North Liberty at City Hall, 360 N. Main St., North Liberty, Iowa 52317.

The Forgivable Loan shall be forgiven by the City in accordance with the terms, conditions and timing set forth in the Loan Agreement.



The Borrower reserves the right to prepay amounts due under this Promissory Note in inverse order of maturity, in whole or in part, without penalty, at any time prior to maturity.

In the event of a default under the Loan Agreement which has not been cured in accordance with the terms of the Loan Agreement, including the failure to make payments as they come due under the terms of the Loan Agreement, the Borrower agrees to pay all costs and expenses of collection, including reasonable attorney's fees. The Borrower waives demand, presentment, notice of non-payment, protest, notice of protest and notice of dishonor. Time is of the essence. No delay or omission on the part of the Holder in exercising any right hereunder shall operate as a waiver of such right or of any other remedy under this Promissory Note. A waiver of any one occasion shall not be construed as a bar to or waiver of any such right or remedy on a future occasion. This Promissory Note is subject to acceleration in each case upon the terms provided in the Loan Agreement.

This Promissory Note is secured by certain guaranties and real estate mortgages as set forth in the Loan Agreement.

The validity, construction and enforceability of this Promissory Note shall be governed by the internal laws of the State of Iowa without giving effect to the conflict of laws principles thereof.

UCD HOLDINGS, LLC, as Borrower

By \_\_\_\_\_  
\_\_\_\_\_

EXHIBIT A – SCHEDULE OF ADVANCES

Date of Advance	Amount Advanced	Remaining Principal Balance	Signature of Authorized Officer of City
05/14/2025	\$	\$	
	\$	\$	
	\$	\$	
	\$	\$	
	\$	\$	
	\$	\$	
	\$	\$	
	\$	\$	
	\$	\$	
	\$	\$	

City of North Liberty									
Proposed Forgivable Loan Amortization									
Target Repayment:		35,404,878.00							
			Forgivable Loan						
	Year	June	Est. TIF	Principal	Interest	Total	Variance	Annual Payment	Projected Excess
	1	2029	429,309	416,000	3,129	419,129	10,180	419,129	10,180
	2	2030	586,448	0	1,118,246	1,118,246	(531,798)	586,448	0
	3	2031	810,118	0	1,118,246	1,118,246	(308,128)	810,118	0
	4	2032	1,034,589	0	1,118,246	1,118,246	(83,658)	1,034,589	0
	5	2033	1,222,863	76,000	1,118,246	1,194,246	28,616	1,194,246	28,616
	6	2034	1,421,372	274,000	1,113,907	1,387,907	33,465	1,387,907	33,465
	7	2035	1,630,562	493,000	1,098,261	1,591,261	39,301	1,591,261	39,301
	8	2036	1,683,802	574,000	1,070,111	1,644,111	39,691	1,644,111	39,691
	9	2037	1,738,639	660,000	1,037,336	1,697,336	41,304	1,697,336	41,304
	10	2038	1,795,121	753,000	999,650	1,752,650	42,472	1,752,650	42,472
	11	2039	1,853,298	853,000	956,653	1,809,653	43,645	1,809,653	43,645
	12	2040	1,913,220	960,000	907,947	1,867,947	45,273	1,867,947	45,273
	13	2041	1,974,940	1,075,000	853,131	1,928,131	46,809	1,928,131	46,809
	14	2042	2,038,511	1,198,000	791,749	1,989,749	48,763	1,989,749	48,763
	15	2043	2,103,990	1,331,000	723,343	2,054,343	49,647	2,054,343	49,647
	16	2044	2,171,433	1,472,000	647,343	2,119,343	52,090	2,119,343	52,090
	17	2045	2,240,899	1,624,000	563,292	2,187,292	53,607	2,187,292	53,607
	18	2046	2,312,449	1,787,000	470,561	2,257,561	54,888	2,257,561	54,888
	19	2047	2,386,651	1,961,000	368,523	2,329,523	57,128	2,329,523	57,128
	20	2048	2,462,575	2,147,000	256,550	2,403,550	59,025	2,403,550	59,025
	21	2049	2,539,880	2,346,000	133,957	2,479,957	59,923	2,339,991	199,889
	TOTAL			20,000,000	16,468,428	36,468,428	-117,758	35,404,878	

## EXHIBIT J

### DESCRIPTION OF MORTGAGED PROPERTY

#### ***Legal Description of First Security Property:***

##### UCD Lofts (East) Legal Description

BEGINNING at the Northeast Corner of Auditor's Parcel 2015057, to North Liberty, Iowa, in accordance with the Plat thereof Recorded in Plat Book 59 at Page 302 of the Records of the Johnson County Recorder's Office; Thence S00°41'49"E, along the Westerly Right-of-Way Line of the CRANDIC Railroad, 1302.90 feet, to its intersection with the South Line of the Southwest Quarter of the Southeast Quarter of Section 12, Township 80 North, Range 7 West, of the Fifth Principal Meridian; Thence N89°52'57"W, along said South Line, 383.91 feet, to the Southeast Corner of Green Subdivision, in accordance with the Plat thereof Recorded in Plat Book 38 at Page 161 of the Records of the Johnson County Recorder's Office; Thence N00°41'24"W, along the East Line of said Green Subdivision, 285.41 feet; Thence S89°15'52"E, along said East Line, 55.47 feet; Thence N00°44'37"W, along said East Line, and the Northerly Projection thereof, 1012.03 feet, to the Northwest Corner of the Parcel of Land depicted on the Plat of Survey, in accordance with the Plat thereof Recorded in Plat Book 5 at Page 70 of the Records of the Johnson County Recorder's Office; Thence N87°50'50"E, along the North Line of said depicted Parcel, 18.86 feet; Thence N88°15'03"E, along said North Line, 164.37 feet, to the Northwest Corner of the Parcel of Land depicted on the Plat of Survey, in accordance with the Plat thereof Recorded in Plat Book 11 at Page 71 of the Records of the Johnson County Recorder's Office; Thence N88°36'07"E, along the North Line of said depicted Parcel, 70.17 feet, to the Northeast Corner thereof; Thence S00°46'33"E, along the East Line of said depicted Parcel, 2.88 feet, to the Northwest Corner of said Auditor's Parcel 2015057; Thence N89°21'52"E, along said North Line, 75.83 feet, to the POINT OF BEGINNING. Said Proposed Rezoning Parcel contains 10.18 Acres, and is subject to easements and restrictions of record.

#### ***Legal Description of Second Security Property***

##### UCD Central (West) Legal Description

BEGINNING at the Northwest Corner of Lindner First Addition, to North Liberty, Iowa, in accordance with the Plat thereof Recorded in Plat Book 32 at Page 329 of the Records of the Johnson County Recorder's Office; Thence N88°39'32"E, along the North Line of said Lindner First Addition, 314.96 feet, to the Northwest Corner of Auditor's Parcel 2022-029, in accordance with the Plat thereof Recorded in Plat Book 65 at Page 302 of the Records of the Johnson County Recorder's Office; Thence N88°45'47"E, along the North Line of said Auditor's Parcel 2022-029, a distance of 140.22 feet, to the Northeast Corner thereof; Thence S00°35'54"E, along the East Line of said Auditor's Parcel 2022-029, a distance of 5.00 feet; Thence N88°36'47"E, 64.54 feet, to a Point on the West Line of Auditor Parcel 2001018, in accordance with the Plat thereof Recorded in Plat Book 42 at Page 264 of the Records of the Johnson County Recorder's Office; Thence N33°38'35"E, along said West Line, 93.60 feet, to the Northwest Corner thereof; Thence S56°19'04"E, along the North Line of said Auditor Parcel 2001018, a distance of 97.79 feet; Thence Southeasterly, 205.72 feet, along said North Line, on a 330.00 foot radius curve, concave Northeasterly, whose 202.41 foot chord bears S74°10'37"E; Thence N87°50'50"E, along said North Line, 36.89 feet; Thence S00°44'37"E, along the East Line of said Auditor Parcel 2001018, a distance of 155.86 feet, to the Southeast Corner thereof; Thence S88°34'18"W, along the South Line of said Auditor Parcel 2001018, a distance of 319.34 feet; Thence S88°37'54"W, 110.00 feet, to a Point on the East Line of said Linder First Addition; Thence S00°41'18"E, along said East Line, 221.37 feet; Thence S01°51'41"E, 374.20 feet, to a Point on the North Line of Green Subdivision, in accordance with the Plat thereof Recorded in Plat Book

38 at Page 161 of the Records of the Johnson County Recorder's Office; Thence N89°50'54"W, along said North Line, 409.91 feet; Thence N38°25'25"W, 57.80 feet, to a Point on the Easterly Right-of-Way Line of North Highway 965 (Ranshaw Way); Thence N01°15'42"W, along said Easterly Right-of-Way Line, 320.43 feet, to a Point on the South Line of said Lindner First Addition; Thence S89°04'38"W, along said South Line, 9.87 feet, to the Southwest Corner thereof; Thence N01°16'39"W, along said Easterly Right-of-Way Line , and the West Line of said Lindner First Addition, 418.48 feet, to the POINT OF BEGINNING. Said Proposed Rezoning Parcel contains 10.04 Acres, and is subject to easements and restrictions of record.

**EXHIBIT K**  
**FORM OF ASSESSMENT AGREEMENT**

## **MINIMUM ASSESSMENT AGREEMENT**

### **Recorder's Cover Sheet**

**Preparer Information:** (name, address and phone number)

John P. Danos, Esq., Dorsey & Whitney LLP, 801 Grand Avenue, Suite 4100, Des Moines, IA 50309; Phone: 515-699-3285

**Return Document To:**

City Administrator, City of North Liberty, Iowa, 360 N. Main St., North Liberty, IA 52317;  
Phone: 319-626-5700

**City:** City of North Liberty, Iowa

**Property Owner:**

**Legal Description:** See Exhibit A

**Book & Page Reference if applicable:**

## MINIMUM ASSESSMENT AGREEMENT

THIS AGREEMENT, dated as of the \_\_\_\_ day of \_\_\_\_\_, 2025, by and among the City of North Liberty, Iowa (the “City”), \_\_\_\_\_ (the “Property Owner”), and the County Assessor of Johnson County (the “Assessor”).

### WITNESSETH

WHEREAS, the Property Owner owns the real property, the legal description of which is contained in Exhibit A attached hereto (the “Property”), which is located in the North Liberty Urban Renewal Area in the City; and

WHEREAS, the Property Owner has undertaken the redevelopment of an existing building on the Property for use in the business operations of a grocery store and a hardware store on the Property; and

WHEREAS, a development agreement (the “Development Agreement”), dated \_\_\_\_\_, 20\_\_, has been executed between the City and the Property Owner in connection with the Property Owner’s investment in and business operations on the Property; and

WHEREAS, pursuant to Section 403.6(19) of the Code of Iowa, the City and the Property Owner desire to establish a minimum taxable value for the Property and the improvements to be constructed thereon, which shall be effective as of January 1, 20\_\_, and from then until this Agreement is terminated pursuant to the terms herein and which is intended to reflect the minimum market value of the land and improvements;

NOW, THEREFORE, the parties to this Agreement, in consideration of the promises, covenants and agreements made by each other, do hereby agree as follows:

1. Effective January 1, 20\_\_, the minimum actual value which shall be assessed for the Property upon completion of the improvements to be constructed thereon, shall not be less than [\_\_\_\_\_] Dollars] (\$\_\_\_\_\_) until termination of this Agreement.

2. The Property Owner hereby agrees that the assessed valuation (hereinafter referred to as the “Minimum Actual Value”) set forth in Section 1 above shall become and remain effective as of January 1, 20\_\_, and throughout the term of this Agreement, regardless of the actual degree of completion or incompleteness of the Project, even if construction of the Project is not commenced by such date. Furthermore, the Property Owner acknowledges that the City has changed its position in reliance on the timeliness of such increase in valuation as set forth in the Development Agreement.

3. The Property Owner agrees to pay when due, all taxes and assessments, general or special, and all other charges whatsoever levied upon or assessed or placed against the Property, subject to any limitations set forth in the Development Agreement. The Property Owner further agrees that until this Agreement is terminated, they will not seek administrative or judicial review



of the applicability, enforceability, or constitutionality of this Agreement or the obligation to be taxed based upon the Minimum Actual Value or to raise any such argument by way of defense in any proceedings, including delinquent tax proceedings.

4. The Property Owner further agrees that until this Agreement is terminated it will not seek any tax exemption or abatement either presently or prospectively authorized under any State, federal or local law with respect to taxation of the Property including causing or allowing the property to be leased, sold, transferred to or otherwise used by an entity that is exempt from property taxes under the laws of the State of Iowa.

5. This Agreement, and the minimum assessed valuation established herein, shall be effective until \_\_\_\_\_, 20\_\_.

6. Nothing herein shall be deemed to waive the Property Owner's rights under Section 403.6(19) Code of Iowa (2025) or otherwise, to contest that portion of any actual value assignment made by the Assessor in excess of the Minimum Actual Value.

7. This Agreement shall be promptly recorded with the Johnson County Recorder, along with a copy of Iowa Code Section 403.6.

8. Neither the preamble nor provisions of this Agreement are intended to, nor shall they be construed as, modifying the terms of any other contract between the City and the Property Owner, including the Development Agreement.

*[Remainder of page intentionally left blank.]*

This Agreement shall inure to the benefit of and be binding upon the successors and assigns of the parties.

CITY OF NORTH LIBERTY, IOWA

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

Attest:

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

[NAME OF DEVELOPER]

By: \_\_\_\_\_  
[Name, Title]

STATE OF IOWA            )  
                                  )  
COUNTY OF JOHNSON    )       SS:

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by \_\_\_\_\_ and \_\_\_\_\_, the Mayor and City Clerk, respectively, of North Liberty, Iowa, a municipal corporation of the State of Iowa, on behalf of the City.

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

STATE OF IOWA                    )  
  )     SS:  
COUNTY OF JOHNSON         )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by \_\_\_\_\_ the \_\_\_\_\_ of \_\_\_\_\_, [an Iowa corporation][limited liability company].

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

**EXHIBIT A TO MINIMUM ASSESSMENT AGREEMENT**

CERTIFICATION BY ASSESSOR

The undersigned Assessor, being legally responsible for the assessment of the above described property upon completion of improvements to be made on it, hereby certifies that the actual value assigned to such land and improvements upon completion, shall be not less than \_\_\_\_\_ Dollars (\$ \_\_\_\_\_) from January 1, 20\_\_, until termination of the Agreement.

\_\_\_\_\_  
County Assessor for Johnson County,  
State of Iowa

Subscribed and sworn to before me this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

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

LIENHOLDER'S CONSENT, IF ANY

In consideration of one dollar and other valuable consideration, the receipt of which is hereby acknowledged, and notwithstanding anything in any loan or security agreement to the contrary, the undersigned ratifies, approves, consents to and confirms the Assessment Agreement entered into between the parties, and agrees to be bound by its terms. This provision shall be binding on the parties and their respective successors and assigns.

[NAME OF LIENHOLDER]

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

Date: \_\_\_\_\_

STATE OF IOWA     )  
                              )     SS:  
COUNTY OF JOHNSON     )

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by \_\_\_\_\_ the \_\_\_\_\_ of \_\_\_\_\_.

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

**[Add additional pages for each Lienholder]**

**[If no Lienholders exist, this consent will not be completed]**

**[To be filed with Assessment Agreement]**

Consistent with Iowa Code §403.6(19)(b), filed with this assessor certification is a copy of subsection 19 as follows:

19. a. A municipality, upon entering into a development or redevelopment agreement pursuant to section 403.8, subsection 1, or as otherwise permitted in this chapter, may enter into a written assessment agreement with the developer of taxable property in the urban renewal area which establishes a minimum actual value of the land and completed improvements to be made on the land until a specified termination date which shall not be later than the date after which the tax increment will no longer be remitted to the municipality pursuant to section 403.19, subsection, subsection 2. The assessment agreement shall be presented to the appropriate assessor. The assessor shall review the plans and specifications for the improvements to be made and if the minimum actual value contained in the assessment agreement appears to be reasonable, the assessor shall execute the following certification upon the agreement:

The undersigned assessor, being legally responsible for the assessment of the above-described property upon completion of the improvements to be made on it, certifies that the actual value assigned to that land and improvements upon completion shall not be less than \$\_\_\_\_\_.

b. This assessment agreement with the certification of the assessor and a copy of this subsection shall be filed in the office of the county recorder of the county where the property is located. Upon completion of the improvements, the assessor shall value the property as required by law, except that the actual value shall not be less than the minimum actual value contained in the assessment agreement. This subsection does not prohibit the assessor from assigning a higher actual value to the property or prohibit the owner from seeking administrative or legal remedies to reduce the actual value assigned except that the actual value shall not be reduced below the minimum actual value contained in the assessment agreement. An assessor, county auditor, board of review, director of revenue, or court of this state shall not reduce or order the reduction of the actual value below the minimum actual value in the agreement during the term of the agreement regardless of the actual value which may result from the incomplete construction of improvements, destruction or diminution by any cause, insured or uninsured, except in the case of acquisition or reacquisition of the property by a public entity. Recording of an assessment agreement complying with this subsection constitutes notice of the assessment agreement to a subsequent purchaser or encumbrancer of the land or any part of it, whether voluntary or involuntary, and is binding upon a subsequent purchaser or encumbrancer.



**EXHIBIT L**  
**SUMMARY OF ACCEPTED COSTS**

Date of Cost	Amount of Cost	Nature of Cost	Date Accepted by City


**EXHIBIT M**  
**PROPERTY CLOSING CHECKLIST FOR PROPERTY ACQUISITION DISBURSEMENTS**

**CLOSING CHECKLIST**

**\$20,000,000 FORGIVABLE LOAN**

**CITY OF NORTH LIBERTY, IOWA**

**TO**

\_\_\_\_\_, **AS BORROWER**

**PROJECT:** 20-acre redevelopment in the heart of North Liberty which will include approximately 65,000 square feet of commercial space fronting Ranshaw Way and a minimum of 350 residential units between the North Liberty Trail and the railroad tracks.

**CLOSING DATE:** \_\_\_\_\_, **2025**

**CITY:**

Name:	North Liberty Iowa
Address:	360 N. Main Street
City/State/Zip:	North Liberty, Iowa 52317
Contact Name:	[_____]
Telephone:	[_____]
E-mail Address:	[_____]

**BORROWER:**

Name:	[_____]
Address:	[_____]
City/State/Zip:	[_____]
Contact Name:	[_____]
Telephone:	[_____]
E-mail Address:	[_____]

**GUARANTOR:**

Name:	[_____]
Address:	[_____]
City/State/Zip:	[_____]

**TITLE COMPANY:**

Name:	[_____]
Address:	[_____]
City/State/Zip:	[_____]
Contact Name:	[_____]
Telephone:	[_____]
E-mail Address:	[_____]

**CITY’S COUNSEL:**

Firm Name: Dorsey & Whitney LLP  
Address: 801 Grand Avenue, Suite 4100  
City/State/Zip: Des Moines, IA 50309  
Contact Name: John Danos and Amy Bjork  
Telephone: (515) 699-3275 and (515) 699-3285  
E-mail Address: [Danos.John@dorsey.com](mailto:Danos.John@dorsey.com) and [Bjork.Amy@dorsey.com](mailto:Bjork.Amy@dorsey.com)

**BORROWER’S COUNSEL:**

Name: [ ]  
Address: [ ]  
City/State/Zip: [ ]  
Contact Name: [ ]  
E-mail Address: [ ]

**Key:**

B	-	Borrower
BC	-	Borrower's Counsel
City	-	City
DW	-	Dorsey & Whitney LLP
TC	-	Title Company
PC	-	To be delivered post-closing

<u>LOAN DOCUMENTS</u>	<u>RESP PARTY</u>	<u>STATUS</u>	<u>COMPLETED</u>
Promissory Note	DW		
[Insert Title of Loan / Bond Document]	DW		
[insert any exhibits or schedules]			
[First Position] Construction Mortgage, Assignment of Leases and Rents, Security Agreement and Fixture Filing	DW		
(a) Exhibit A: Legal Description	DW/TC		
[Second Position] Construction Mortgage, Assignment of Leases and Rents, Security Agreement and Fixture Filing			
(a) Exhibit A: Legal Description	DW/TC		
[Guaranty Agreement]			
[Intercreditor Agreement]	DW		
(a) [Memo of Intercreditor Agreement]	DW		
[Guaranty of Completion]	DW		
Environmental Indemnity Agreement	DW		
(a) Exhibit A: Legal Description	DW		
(b) Exhibit B: Schedule of Environmental Reports	B/BC		
[Collateral Assignment of Agreements Affecting Real Estate]	DW		
(a) Exhibit A: Legal Description	DW/ TC		
Financing Statements: UCC-1 ([SOS Level]) UCC-1 ([County Level])	DW		
<b><u>ORGANIZATIONAL AND AUTHORIZATION DOCUMENTS</u></b>			
Organizational Chart (Borrower and Guarantor)	B/BC		
Model signature blocks for Borrower and Guarantor	B/BC		
Certificate of Authority - with respect to Borrower and Guarantor: (i) Bylaws/LLC Agreements, (ii) Certificates of Formation/Incorporation, (iii) Incumbency Certificate, (iv) Certificates of Good Standing (State of Formation for Borrower and Guarantor), and (v) Resolutions	BC		

<b><u>LOAN DOCUMENTS</u></b>	<b><u>RESP PARTY</u></b>	<b><u>STATUS</u></b>	<b><u>COMPLETED</u></b>
Officer Certificate of [SPE to hold title to property].: (i) Bylaws, (ii) Articles of Incorporation, (iii) Incumbency Certificate, (iv) Certificate of Good Standing (State of Formation), and (v) Resolutions	BC		
Opinion letter of Borrower's and Guarantors' Counsel(s) (a) [ ] (b) [ ]	BC		
<b><u>TITLE AND SURVEY DOCUMENTS</u></b>			
Title Commitment, with copies of vesting deed and all documents of record	TC/BC		
ALTA 2021 Loan Policy with the following endorsements: Restrictions, Encroachments, Minerals – Land Under Development (ALTA 9.7-06) Zoning – Land Under Development (ALTA 3.2-06) Survey Endorsement Access Endorsement (ALTA 17-06) Contiguity Endorsement, if applicable (ALTA 19-06) Private Rights (ALTA 9.6-06) Usury Endorsement Tax Parcel Endorsement (ALTA 18-06 or 18.1-06 as applicable) Waiver of Arbitration Clause Utility Facility Endorsement Variable Rate Endorsement Doing Business Endorsement Environmental Protection Lien Endorsement No. 8.1 ALTA 32 Date Down Endorsement ALTA 33 (for each loan disbursement) Such other endorsements as City requires	TC/BC		
Proforma Loan Policy			
Loan Closing Letter to Title Company	DW		
Title Company Settlement Statement	TC		
(a) Payoff Letter from existing mortgagee(s) (if applicable)			
Borrower's Affidavit	B/BC/TC		
ALTA/NSPS Survey with site plan overlay	B		

<b><u>LOAN DOCUMENTS</u></b>	<b><u>RESP PARTY</u></b>	<b><u>STATUS</u></b>	<b><u>COMPLETED</u></b>
Evidence of Zoning Title Endorsement / Entitlements Zoning Letter from City re site plan approval	B/BC		
Wire transfer instructions	BC		
<b><u>VALUATION, FINANCIAL AND ENGINEERING DOCUMENTS</u></b>			
Borrower's Financial Statements: [ ] [ ]	B		
Guarantor's Financial Statements (with evidence of financial covenant compliance)	G		
[Credit Report: Borrower Guarantor]	B		
Phase I and Phase II Environmental Assessments: Environmental Review Memo Reliance letter	B DW B		
Geotechnical Report	B		
[Appraisal]	B		
<b><u>INSURANCE</u></b>			
Insurance Certificates, including evidence of property Insurance and evidence of liability insurance, together with copy of mortgagee clause from policy	B		
Construction -Specific Insurance: Builder's Risk Certificate of GC's liability insurance Certificate of Architect's liability insurance	B		
<b><u>PROJECT SPECIFIC/ CLOSING DOCUMENTATION</u></b>			
Site Plan / Project Approval by City	B/BC/City		
[Plat(s)]	B/BC		
[Development Agreement]	DW/City		
[Minimum Assessment Agreement]	DW/City		
[Deed]	B/BC		
[Declaration of Value]	B/BC		
[Ground Water Hazard Statement]	B/BC		
[1099-S Form]	B/BC		
[FIRPTA]	B/BC		
[Declaration of Covenants, Conditions, Easements]	B/BC		
[Property Management Agreement]	B/BC		

<b><u>LOAN DOCUMENTS</u></b>	<b><u>RESP PARTY</u></b>	<b><u>STATUS</u></b>	<b><u>COMPLETED</u></b>
[Collateral Assignment and Subordination of Property Management ]Agreement	DW		
(a) Property Manager Consent	DW		
Copy of signed Project purchase documents: (a) Purchase Agreement(s) and related amendments (b) Assignment of PSA	B/BC		
[Template form of residential tenant lease]	B/BC		
[Template form of retail / commercial lease]	B/BC		
SNDA[s]	DW/BC		
[Post Closing Obligation Letter]	DW		
<b><u>ADDITIONAL DOCUMENTS REQUIRED FOR CONSTRUCTION LOAN</u></b>			
Primary project contracts: GMP Construction Contract (with all major subcontracts bid and let based on plans and specs) Architect's Contract	B/BC		
Consents: GC's Consent and Agreement Architect's Consent, Agreement and Certificate	DW/BC		
Collateral Assignment of all construction and architect contracts	DW		
[Disbursing Agreement]	DW/TC		
Approval by City of the general contractor	City		
Copies of demolition, foundation and building permits (to extent now available)	B		
Building and Engineering Plans and Specifications	B		
Budget of all hard and soft costs	B		
Plan and Cost Review by City's consultant	City		
Construction Schedule	B		
[General Contractor Payment/Performance Bonds]	B		
(a) Dual/Multiple Obligee Riders in favor of City	B/BC		
<b><u>MISCELLANEOUS SEARCHES</u></b>			
Flood Zone Determination	DW		
UCC, Federal and State Tax Lien, Bankruptcy, Pending Suit and Judgment Searches: Borrower* Guarantor* * See attached chart	DW		
<b><u>POST-CLOSING ITEMS</u></b>			
Recorded First Position Mortgage	TC	Post-closing	PC
Recorded Second Position Mortgage	TC	Post-closing	PC
Recorded SNDA(s)	TC	Post-closing	PC



<b><u>LOAN DOCUMENTS</u></b>	<b><u>RESP PARTY</u></b>	<b><u>STATUS</u></b>	<b><u>COMPLETED</u></b>
Recorded Memo of Intercreditor Agreement	TC		
Filed UCC-1 (Secretary of State Level)	DW	Post-closing	PC
Recorded UCC-1 (County Level)	TC	Post-closing	PC
Final Loan Policy of Title Insurance	TC	Post-closing	PC

Summary of Searches for Borrower and Guarantor

**[TO BE REVISED]**

- 1) UCC Searches in the State of formation (or principal place of residence if a guarantor is an individual)
- 2) UCC Searches (fixture filing) in the County where the property is located—**note: this search is only required for the Borrower**
- 3) Federal Tax Lien searches in the State of formation (or principal place of residence for individual guarantors)
- 4) State Tax Lien searches (a) in the County of the principal place of business and the County of formation (based on the County of the registered agent) (for an individual guarantor, the only search required is the principal place of residence) (**consider County where property is located as well**) and (b) plus in Illinois, a state tax lien search with the Department of Revenue Registry.
- 5) Federal Pending Litigation and Judgment searches in the State where the property is located and the State of the principal place of business (or principal place of residence for an individual guarantor) (**consider state of formation as well**)
- 6) Local Pending Litigation and Judgment searches in the County where the property is located and the County of the principal place of business (**consider state of formation as well**)
- 7) Bankruptcy searches in the federal district court of the principal place of business and the federal district court of the State of formation