

MEMORANDUM OF UNDERSTANDING

THIS MEMORANDUM OF UNDERSTANDING (the “Memorandum”) is made and entered into this ____ day of _____, 2026, by and between the City of Waverly, Nebraska (the “City”), the Community Redevelopment Authority (the “CRA”) of the City, and Waverly Development Co., LLC, a Nebraska limited liability company (the “Developer”).

WHEREAS, the Developer has indicated an interest in developing certain real property in the City legally described on **Exhibit A** attached hereto (the “Property”) by constructing multi-family affordable workforce rental housing or related improvements on the Property (the “Project”);

WHEREAS, the City, the CRA, and the Developer are obtaining a study to determine whether the Property can be declared blighted and substandard (the “Study”), and the Developer has agreed to pay the cost of the Study;

WHEREAS, prior to making additional financial commitments and continuing due diligence, the Developer desires to have an indication of interest from the City and the CRA with regard to certain financing and other assistance necessary to develop the Project;

WHEREAS, the City and the CRA find it in the public interest to cooperate with the Developer to promote the construction of the Project and the development of business activity in the City; and

WHEREAS, the parties desire to set forth their understandings and obligations to bring about the accomplishment of the foregoing recitals, all in accordance with the terms set forth in this Memorandum.

NOW, THEREFORE, in consideration of the foregoing recitals, the mutual covenants and agreements contained herein, and other good and valuable consideration, the parties hereby agree as follows:

1. Developer’s Obligations. The Developer agrees to pay the cost of the Study. In addition, the Developer agrees to use its best efforts to complete the Project and to evidence such efforts by having filed, no later than **December 31, 2027**, applications for prerequisite permits with the City (with relevant permit filing fees also having been paid) as necessary to enable the Developer to commence construction work related to the Project. The Developer agrees to use its best efforts to commence and complete construction of the Project in a manner the Developer believes will substantially increase the value of the Property, will provide affordable workforce rental housing for the City, and will increase business activity within the City.

2. CRA’s Obligations. In order to induce the Developer to build the Project on the Property, if and when the Property is declared to be blighted and substandard, the CRA shall use its best reasonable efforts consistent with applicable law to adopt a redevelopment plan and approve a redevelopment contract for tax increment financing to facilitate the Developer’s economic development of the Project in the City. Further, if and when the Property is declared to be blighted and substandard, the CRA and the City will not remove such designation for the Property as long as the Developer has fulfilled its obligations as set

forth in Section 1 above. If the Developer does not fulfill its obligations under Section 1 above, the City and the CRA will consider removing such blighted and substandard designation to free up other areas of the City for such a designation under applicable statutory limits. Nothing in this Memorandum or otherwise is a representation or guarantee by the CRA and/or the City that the CRA and/or the City will ultimately declare the Property blighted and substandard or grant or approve tax increment financing (TIF) for the Project. This Memorandum serves to represent that that CRA and/or City desire for an acceptable Project to be completed on the Property in a timely manner and will consider available options to support and encourage completion of such a Project.

3. Economic Feasibility. Neb. Rev. Stat. 18-2116(1) requires the City to engage in the analysis as follows if a TIF application requests the use of funds as described in Section 2 above: (i) the Project would not be economically feasible without the use of tax-increment financing; and (ii) the Project would not occur in the City without the use of tax-increment financing. As part of any request for tax increment financing, the Developer will provide such information as is deemed necessary by the CRA and the City to make such determination.

4. Redevelopment Contract. The CRA and the Developer will use their best reasonable efforts to negotiate and enter into a redevelopment contract in accordance with any timelines required by applicable law. The redevelopment contract shall outline the obligations and agreements with regard to the financing matters set forth in Section 2 above, including, without limitation, the amount of any tax increment revenue financing proceeds to be granted to the Developer, along with any other agreements deemed necessary. Upon execution of the redevelopment contract, this Memorandum shall be deemed superseded and of no further force and effect.

5. Intent of Memorandum. The undersigned parties each acknowledge and agree that the Developer would be unwilling to pursue any further discussions with regard to locating the Project in the City without execution of this Memorandum. The Developer acknowledges and agrees that, until the CRA and the City act in accordance with law with regard to each party's obligations as outlined in this Memorandum (i.e., following all notice and hearing requirements, etc.), any obligations set forth in this Memorandum for the CRA and the City are nonbinding.

6. Counterparts. This Memorandum may be executed in two or more counterparts, each of which shall be deemed an original, but which together shall constitute one and the same instrument. The parties may execute this Memorandum and all other agreements, certificates, instruments, and other documents contemplated by this Memorandum and exchange the counterparts of such documents by means of facsimile transmission or email or other electronic means. The parties agree that the receipt of such executed counterpart shall be binding on such parties and shall be construed as originals.

7. Time. If not sooner superseded or terminated by the parties, this Memorandum and all obligations contained herein shall terminate as of December 31, 2027.

8. Governing Law. This Memorandum shall be governed by the laws of the State of Nebraska.

IN WITNESS OF THE FOREGOING, the parties hereto have signed this Memorandum of Understanding effective as of the date first above written.

**COMMUNITY REDEVELOPMENT
AUTHORITY OF THE CITY OF
WAVERLY, NEBRASKA**

By: _____
Authorized Representative

CITY OF WAVERLY, NEBRASKA

By: _____
Mayor

WAVERLY DEVELOPMENT CO., LLC

By: _____
Its: Manager

EXHIBIT A

LEGAL DESCRIPTION OF PROPERTY

LOT THREE (3), BLOCK TWO (2), RILEY SIXTH ADDITION, WAVERLY, LANCASTER
COUNTY, NEBRASKA.

4938-0267-1825, v. 1