SUBDIVISION AGREEMENT
BEAR CREEK
(Lots 1 thru 138, Inclusive, and Outlots "A" and "B")

THIS AGREEMENT is made and entered into this ___ day of _____ , 2026, by and among MDC BEARCREEK, LLC, a Nebraska limited liability company (hereinafter referred to as "Subdivider"), COMMUNITY IMPROVEMENT DISTRICT NO. 1 OF BLAIR, NEBRASKA, a political subdivision of the State of Nebraska (hereinafter referred to as "District"), and the CITY OF BLAIR, NEBRASKA, a political subdivision of the State of Nebraska (hereinafter referred to as "City").

WITNESSETH:

WHEREAS, Subdivider is the owner of the land included within the proposed final plat attached hereto as Exhibit "A", which parcel of land (hereinafter referred to as the "Development Area") which is situated wholly within City's corporate boundaries and is currently zoned or will be zoned residential in connection with the approval of this Agreement; and,

WHEREAS, Subdivider proposes that District will build Public Improvements in the Development Area; and,

WHEREAS, the parties wish to agree upon the manner and the extent to which public funds may be expended in connection with Public Improvements to be constructed within the Development Area or serving the Development Area and the extent to which the contemplated Public Improvements specially benefit property in the Development Area and to what extent the cost of same shall be specially assessed.

NOW, THEREFORE, IT IS AGREED AS FOLLOWS:

For the purpose of this Agreement, the following words and phrases shall have the following meanings:

A. The "Cost" or "Entire Cost," used interchangeably, of an improvement means reasonable and necessary construction, engineering, design, legal, testing, publication, and financing (including interest on warrants to the date of levying special assessments and fiscal agent warrant fees) costs directly attributable to that improvement and lawfully payable by the District. Cost or Entire Cost shall not include penalties, forfeitures, default charges, or costs resulting from the negligence, breach, or default of the Subdivider, District, contractor, or their agents. Any amount proposed for special assessment remains subject to the procedures and special-benefit limitations of the Nebraska Community Improvement District Act, Neb. Rev. Stat. Sections 18-3501 et seq (the "Act").

B. "Property Benefited" shall mean property within the Development Area which constitutes building sites. Outlots A and B are not building sites.

C. "District General Obligation" means the Entire Cost that is not specially assessed and is payable solely from lawfully available District revenues and shall not include or create a general obligation, debt, guaranty, or pledge of the City.

D. "Final Plat" shall mean the final plat of the Bear Creek subdivision, a copy of which is attached as Exhibit "A" hereto.

SECTION I

Subdivider and District shall construct and install all items stated in this Section and perform all other duties listed in this Section. Before any construction begins, Subdivider and District shall provide the City evidence, satisfactory to the City and its legal and financial advisors, of committed financing sufficient to complete all Public Improvements, together with all required performance security. No construction shall begin until the City has approved the plans, specifications, contracts, estimated costs, financing evidence, and security required by this Agreement and applicable law. The improvements listed below are collectively the "Public Improvements":

A. Construction of concrete paving of all streets dedicated pursuant to the Final Plat; all of said paving to be twenty-five (25) feet in width, except for those streets with a width greater than twenty-five (25) feet, which streets shall be extra-width paving, if any (approved by City), as shown on paving plans prepared by E & A Consulting Group, Inc., copies of which are attached hereto as Exhibit "B."

B. Storm sewers, inlets, manholes and related appurtenances constructed on and in dedicated street rights-of-way and easements dedicated pursuant to the Final Plat shall be located as shown on the plans and specifications for said storm sewer and paving improvements prepared by E & A Consulting Group, Inc., copies of which are attached hereto as Exhibit "B". All installed storm sewers shall be inspected by City before connection to City system.

C. All sanitary sewer mains, manholes and related appurtenances constructed in dedicated street rights-of-way and easements dedicated pursuant to the Final Plat shall be located as shown on the plans and specifications for said sanitary sewer improvements prepared by E & A Consulting Group, Inc., copies of which are attached hereto as Exhibit "C." All installed sanitary sewer mains shall be inspected by City before connection to City system.

D. Interior water distribution mains and related appurtenances in dedicated rights-of-way shall be located and constructed as shown on the City-approved water plans in Exhibit "D." The water distribution mains shall be constructed by the District. Upon completion of installation of the water distribution mains and related appurtenances by District, the City shall reimburse the District for that portion of the Entire Cost incurred to install the twelve inch (12") main that serves the City's water tower on Lot 138, as shown on Exhibit "D" (the "Large Main Costs"). The Large Main Costs shall not include any costs for attorney's fees, publication, accounting, financing, or acquisition of financing. The City's obligation for the Large Main Costs shall not exceed $800,000. All installed water mains shall be inspected by the City before connection to the City system.

E. Gas distribution mains located within dedicated street rights-of-way dedicated pursuant to the Final Plat shall be installed by Black Hills Energy.

F. Street lighting for public streets dedicated pursuant to the Final Plat to be installed by the Omaha Public Power District ("OPPD") pursuant to a contract between the City and OPPD.

G. Underground electrical service to each of the lots in the Development Area to be installed by the District and OPPD pursuant to a contract between the District and OPPD.

SECTION II

Subject to the Act, including all notice, hearing, equalization, appeal, and special-benefit requirements, the parties agree that the lawful cost of the Public Improvements paid by the District and described in Section I may be defrayed as follows:

A. The Entire Cost of all street construction may be proposed for payment by special assessment, but only to the extent of the special benefit conferred upon each assessed parcel against the property benefited within the Development Area, except for street intersections and certain extra-width and major street paving, either of which may be a District General Obligation, as indicated in Exhibit "B."

B. The Entire Cost of storm sewers and appurtenances shall be a District General Obligation.

C. The Entire Cost of all sanitary sewers, including manholes and other appurtenances, may be proposed for payment by special assessment, but only to the extent of the special benefit conferred upon each assessed parcel against property benefited within the Development Area.

D. The Entire Cost of the water distribution system constructed by the District serving the Development Area may be specially assessed against the property benefited within the Development Area.

E. The Entire Cost of the gas distribution system serving the Development Area may be specially assessed against the property benefited within the Development Area.

F. The Entire Cost of monthly contract charges paid to OPPD for furnishing lighting of public streets shall be paid by the City pursuant to the terms of a contract between the City and OPPD.

G. The Entire Cost of the developer installed duct for the underground power may be specially assessed against the property benefited within the Development Area. All contract charges for underground power authorized to be paid by District to the OPPD, including both the basic charges and refundable charges, together with all other charges as fall within the definition of Entire Cost as defined in this Agreement, including all penalties and default charges, and are allocable to such contract charges, may be specially assessed against property within the Development Area. Any refund of the refundable portion of the underground electrical service charge for a particular lot or credit for developer installed duct which shall be made by OPPD to the District or its successors shall be credited as follows:

1. If the refund/credit is prior to the levy of special assessments for underground electrical service, said refund/credit shall be credited as a reduction in the total cost of the underground electrical services to be levied against said lot.

2. If the refund/credit is after the date of the levy of special assessments for underground electrical service, said refund/credit shall be credited as a payment on the balance owing on the special assessment levied against said lot in connection with underground electrical service for said lot.

3. If the refund/credit is after the date of levy and payment in full of special assessment, said refund/credit shall be repaid to persons paying the special assessment or their assignees.

H. The Cost of sidewalks along exterior arterial streets, or publicly owned outlot frontage, shall be a District General Obligation. The Cost of the walking trail to be constructed on the west side of 18th Avenue shall be a District General Obligation. Maintenance of the walking trail will be the responsibility of the City after completion. The Cost of sidewalks along interior streets shall be borne by the property owner of such adjacent lot or may be specially assessed if completed by the District.

I. All street identification signs shall be installed by the City. Street identification signs, to the extent install by the District, may be a District General Obligation. All street identification signs shall comply with the Manual on Uniform Traffic Control Devices.

J. Storm siren installation shall be a District General Obligation.

K. The initial construction cost of grading and piping for temporary sediment and erosion control facilities shall be paid for privately by the Subdivider, provided, however, that the Subdivider may be reimbursed by the District for sediment and erosion control facilities as a District General Obligation. Removal of sediment and erosion control measures may be a District General Obligation. Sediment removal shall be paid as follows:

1. During the initial construction of public streets and sewers, the District may pay for the removal as a District General Obligation; a separate bid item shall be included in the public improvements contract for this work.

2. Until the City formally accepts the applicable improvements and all construction activity affecting the Development Area has achieved final stabilization, the Subdivider and District shall be responsible for all SWPPP compliance, inspections, erosion and sediment controls, sediment removal, corrective work, and regulatory penalties arising from development activity. Upon acceptance of the Public Improvements pursuant to Neb. Rev. Stat. § 18-3530 , the City shall be responsible for all SWPPP compliance, inspections, erosion and sediment controls, sediment

removal, corrective work, and regulatory penalties arising from development activity, provided, however, the City shall not be responsible for conditions caused by a violation by the Subdivider, District, or their contractors.

SECTION III

The City shall be obligated to purchase Lot 138 from the Subdivider only pursuant to the terms of a separate purchase agreement between the Subdivider and the City to be approved by the City contemporaneously with this Subdivision Agreement. Subdivider shall convey title to Outlot A to the District upon receipt of payment of the sum of $114,000 by the District. Upon acceptance of the Public Improvements as provided in Section IV, the District shall convey title to Outlot A to the City and thereafter the City shall be responsible for maintenance of Outlot A. Outlot B shall be conveyed by Subdivider to Bear Creek Homeowners Association, Inc.

SECTION IV

No Public Improvement shall become City property or a City maintenance responsibility merely because such Public Improvement is located within the City's corporate boundaries or has been accepted by the District. Following completion of the work or purchase, the District's engineer shall file the certificate of acceptance required by Neb. Rev. Stat. § 18-3530. The City may accept a Public Improvement only by express written action after receipt and approval of all inspections, testing, as-built plans, easements, lien waivers, proof of payment, maintenance bonds, regulatory approvals, and completed punch-list work required by the City. Acceptance of this Agreement, the Final Plat, plans, permits, inspections, or connections does not constitute acceptance of a Public Improvement. Acceptance of a Public Improvement by the City shall not be unreasonably withheld or delayed. Until acceptance by the City in accordance with Neb. Rev. Stat. § 18-3530, the District shall remain solely responsible for ownership, operation, maintenance, repair, replacement, liability, and cost of the Public Improvement. Upon acceptance in accordance with Neb. Rev. Stat. § 18-3530, any warranties relating to the construction of the Public Improvement shall be assigned by the District to the City and, thereafter, the City shall be responsible for maintaining the Pubic Improvement from and after the date of acceptance of such Public Improvement. The District shall not be required to expend funds for the maintenance of the Public Improvement from and after the date of acceptance in accordance with Neb. Rev. Stat. § 18-3530.

SECTION V

Credit or funds of the District may be used only for purposes authorized by the Act and this Agreement. The District may issue warrants for the purpose of paying for repairs, maintenance and operating costs of the District, such warrants to be paid out of funds obtained by the District through its general fund tax levy, or where allowed by law, may be paid from special assessments or fees or charges. No District financing for maintenance, repair, reconstruction, or operating costs shall create an obligation of the City. Any such expenditure or financing remains subject to all City approvals required by law, this Agreement, and City ordinance.

SECTION VI

Subdivider and District covenant and agree that the District created by the Subdivider will:

A. Abide by and incorporate into all of its construction contracts the provisions required by the regulations of the City pertaining to construction of Public Improvements in subdivisions and testing procedures therefor.

B. Except as may otherwise be agreed by the City in writing and permitted by law, any special assessment shall be imposed only after compliance with Neb. Rev. Stat. §§ 18-3525 through 18-3535, shall not exceed the special benefit conferred on the assessed parcel, and shall be allocated equitably among parcels that are actually benefited. No penalty, forfeiture, default charge, or cost caused by a breach or default of the Subdivider, District, or contractor may be specially assessed.

C. The District shall provide the following information to the City Engineer at least twenty (20) days prior to the meeting of the Board of Trustees of the District held to propose the levy of special assessments:

1. A detailed schedule of the proposed special assessment and/or the amount of general obligation costs of any improvement or acquisition.

2. A plat of the area to be assessed.

3. A full and detailed statement of the Entire Cost of each type of improvement, which statement or statements shall separately show:

    i. The amount paid to the contractor.

    ii. A special itemization of all other costs of the project, including, but not limited to, all engineering fees, attorneys' fees, testing expenses, publication costs, financing costs, including, but not limited to, interest on all warrants to date of levy of special assessments, estimated fiscal agent's warrant fees, bond fees and other items shown as "soft costs".

    iii. A special itemization of all costs of the District not itemized in (i) and (ii) above.

D. The District shall comply with all statutory notice, filing, hearing, equalization, and levy requirements set forth in the Act. Without limiting those requirements, it shall provide the City the complete statement of costs and proposed assessment schedule within the time required by Neb. Rev. Stat. § 18-3530 and at least twenty (20) days before its assessment hearing. The District shall not delay acceptance to increase financing costs and shall levy any lawful assessment within six (6) months after acceptance.

SECTION VII

In the performance of this Agreement, the District shall not discriminate against any parties on account of race, color, creed, political or religious affiliation, sex, marital status, sexual orientation, gender identity, national origin, age, or disability in violation of federal or state laws or local ordinances.

SECTION VIII

A. All bonds, warrants, special assessments, contracts, and other obligations of the District are obligations solely of the District. No default constitutes a debt or obligation of the City. The City does not pledge its credit, taxing authority, utility revenues, or general funds; does not guarantee repayment; and has no duty to complete an unfinished improvement or cure a District or Subdivider default.

B. The Subdivider and District shall comply with the competitive-bidding requirements of the Act, including Neb. Rev. Stat. §§ 18-3524 and 18-3528, and shall provide the City copies of bid notices, bids, tabulations, awards, contracts, and payment records. No work shall begin and no material change order shall be effective until the City approves the applicable plans, specifications, estimated costs, contracts, and changes as required by Neb. Rev. Stat. § 18-3522. City approval does not guarantee design adequacy, cost, financing, or repayment.

C. Upon acceptance of the Public Improvements pursuant to Neb. Rev. Stat. § 18-3530, City shall procure general public liability insurance in the amount of $1,000,000 per occurrence.

D. The Subdivider and District shall defend, indemnify, and hold harmless the City and its officers, employees, and agents from claims, losses, liens, penalties, damages, and expenses, including reasonable attorney fees, arising from the development, construction, financing, operation, or maintenance of the Public Improvements before City acceptance, except to the extent caused by the City's own negligence or willful misconduct.

E. Upon default and after providing Subdivider and District with notice of default and ten (10) days right to cure such default, the City may suspend permits, approvals, connections, inspections, and acceptance; perform emergency or corrective work; and pursue any other lawful remedy. The Subdivider and District shall reimburse the City for reasonable engineering, legal, financial-advisory, inspection, administrative,

emergency, and corrective costs arising from this Agreement or a default. These remedies are cumulative and do not obligate the City to act.

F. The District warrants that it has not employed or retained any company or person, other than a bona fide employee working for the District, to solicit or secure this Agreement, and that it has not paid or agreed to pay any company or person, other than a bona fide employee working for the District, any fee, commission, percentage, brokerage fee, gifts, or any other consideration, contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, the City shall have the right to annul this Agreement without liability. The prohibition provided for herein shall not apply to the retention of an attorney or other agent for the purpose of negotiating the provisions of this Agreement where the existence of such agency has been disclosed to City.

G. Assignment or transfer by the Subdivider or District of any interest or obligation under this Agreement is prohibited without the City's prior written approval. No approved assignment releases the assignor unless the City expressly agrees in writing.

SECTION IX

A. Installation of entrance signs or related fixtures and any median landscaping and related fixtures shall be paid for by the Subdivider. Plans for such proposed improvements that are to be located in public right-of-way and a proposed maintenance agreement for the improvements must be submitted to the City for review and approval prior to the installation of improvements.

B. No separate administrative entity nor joint venture, among the parties, is deemed created by virtue of the Subdivision Agreement.

C. The administration of this Subdivision Agreement shall be through the offices of the undersigned officers for their respective entities.

D. This Subdivision Agreement shall be binding upon the parties, their respective successors and assigns and shall be recorded against and run with the land shown on Exhibit "A"".

E. The violation or breach of this Agreement may be remedied by an action for specific performance, or other available legal or equitable remedies. Any statute of limitations applicable to an obligation under this Agreement shall be tolled until the obligee party provides to the obligor party a written demand for performance of the obligation by a certain deadline.

Space below intentionally left blank – Signature Page to follow

IN WITNESS WHEREOF, we the executing parties, by our respective duly authorized agents, hereby enter into this Agreement, effective on the day and year first above written.

ATTEST: CITY OF BLAIR, NEBRASKA

_____ _____

CITY CLERK DATE MAYOR DATE

STATE OF NEBRASKA)
) ss.
COUNTY OF WASHINGTON)

On this ___ day of _____, 2026, before me, a Notary Public, duly commissioned and qualified in and for said County and State, personally appeared _____, personally known by me to be the Mayor of the City of Blair, and _____, personally known by me to be the City Clerk of the City of Blair, and the identical persons whose names are affixed to the foregoing Agreement, and they acknowledged the execution thereof to be their voluntary act and deed and the voluntary act and deed of said City.

WITNESS my hand and Notarial Seal the day and year last above written.

(SEAL) _____

NOTARY PUBLIC

ATTEST:

COMMUNITY IMPROVEMENT DISTRICT NO. 1
OF BLAIR, NEBRASKA

11-10-26

DATE

CHAIRMAN DATE

STATE OF NEBRASKA)
) ss.
COUNTY OF ~~WASHINGTON~~ Douglas)

On this 10th day of Nov, 2026, before me, a Notary Public, duly commissioned and qualified in and for said County and State, personally appeared Paul McCune, personally known by me to be the Chairman of Community Improvement District No. 1 of Blair, Nebraska, and the identical person whose name is affixed to the foregoing Agreement, and acknowledged the execution thereof to be his voluntary act and deed and the voluntary act and deed of said District.

WITNESS my hand and Notarial Seal the day and year last above written.

(SEAL)

NOTARY PUBLIC

GENERAL NOTARY - State of Nebraska
MARTIN P. PELSTER
My Comm. Exp. Dec 1, 2028

ATTEST:

MDC BEARCREEK, LLC, a Nebraska limited liability company

_____ DATE

_____ 11-10-26
MANAGER DATE

STATE OF NEBRASKA)
) ss.
COUNTY OF Douglas)

On this 10th day of Nov. ~~day~~ of , 2026, before me, a Notary Public, duly commissioned and qualified in and for said County and State, personally appeared Paul McCune, personally known by me to be the Manager of MDC Bearcreek, LLC, a Nebraska limited liability company and the identical person whose name is affixed to the foregoing Agreement, and acknowledged the execution thereof to be his voluntary act and deed and the voluntary act and deed of said Subdivider.

WITNESS my hand and Notarial Seal the day and year last above written.

(SEAL)

_____
NOTARY PUBLIC

GENERAL NOTARY - State of Nebraska
MARTIN P. PELSTER
My Comm. Exp. Dec 1, 2028

SUBDIVISION AGREEMENT EXHIBITS

EXHIBIT A	FINAL PLAT
EXHIBIT B	PAVING & STORM SEWER
EXHIBIT C	SANITARY SEWER
EXHIBIT D	WATER DISTRIBUTION

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EXHIBIT A
FINAL PLAT

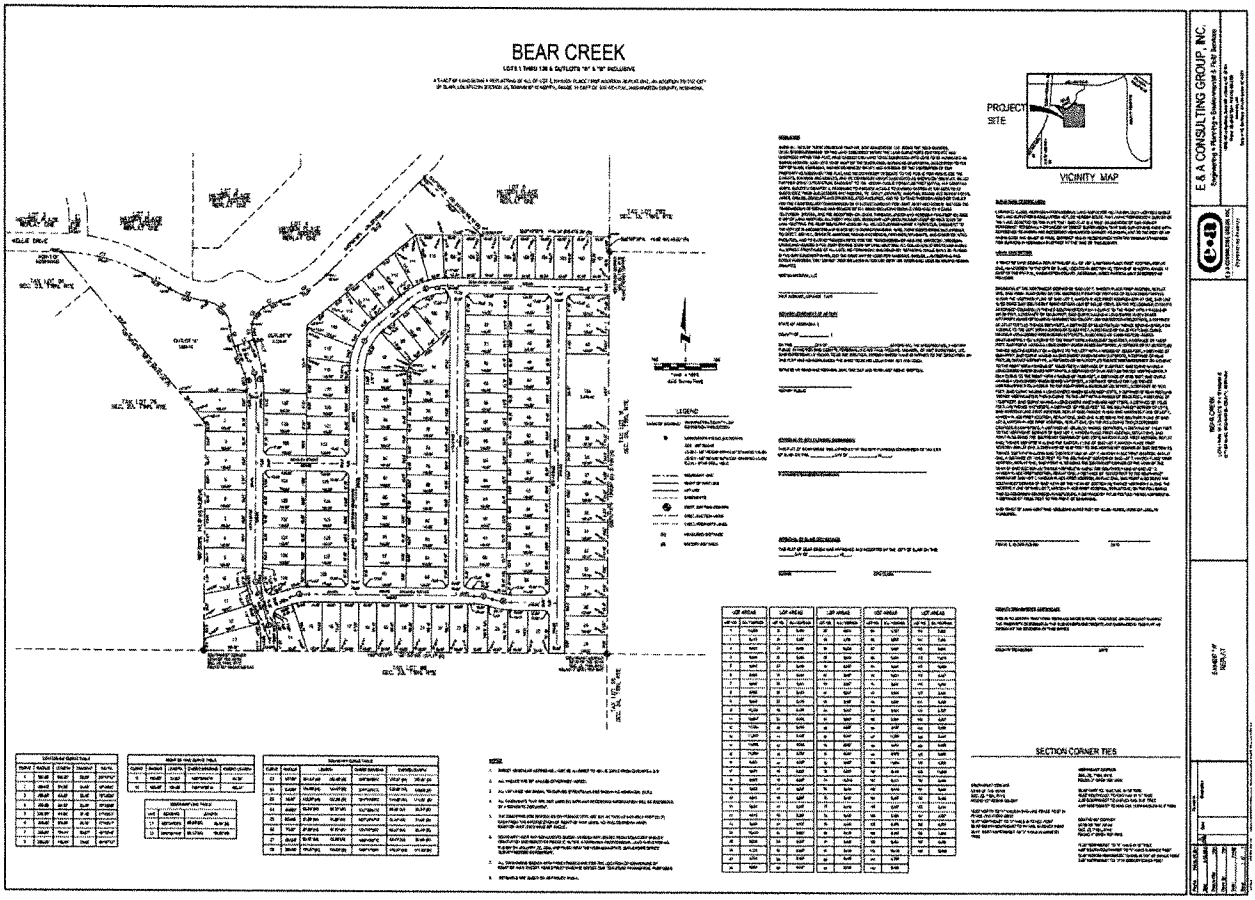


EXHIBIT B
PAVING & STORM SEWER

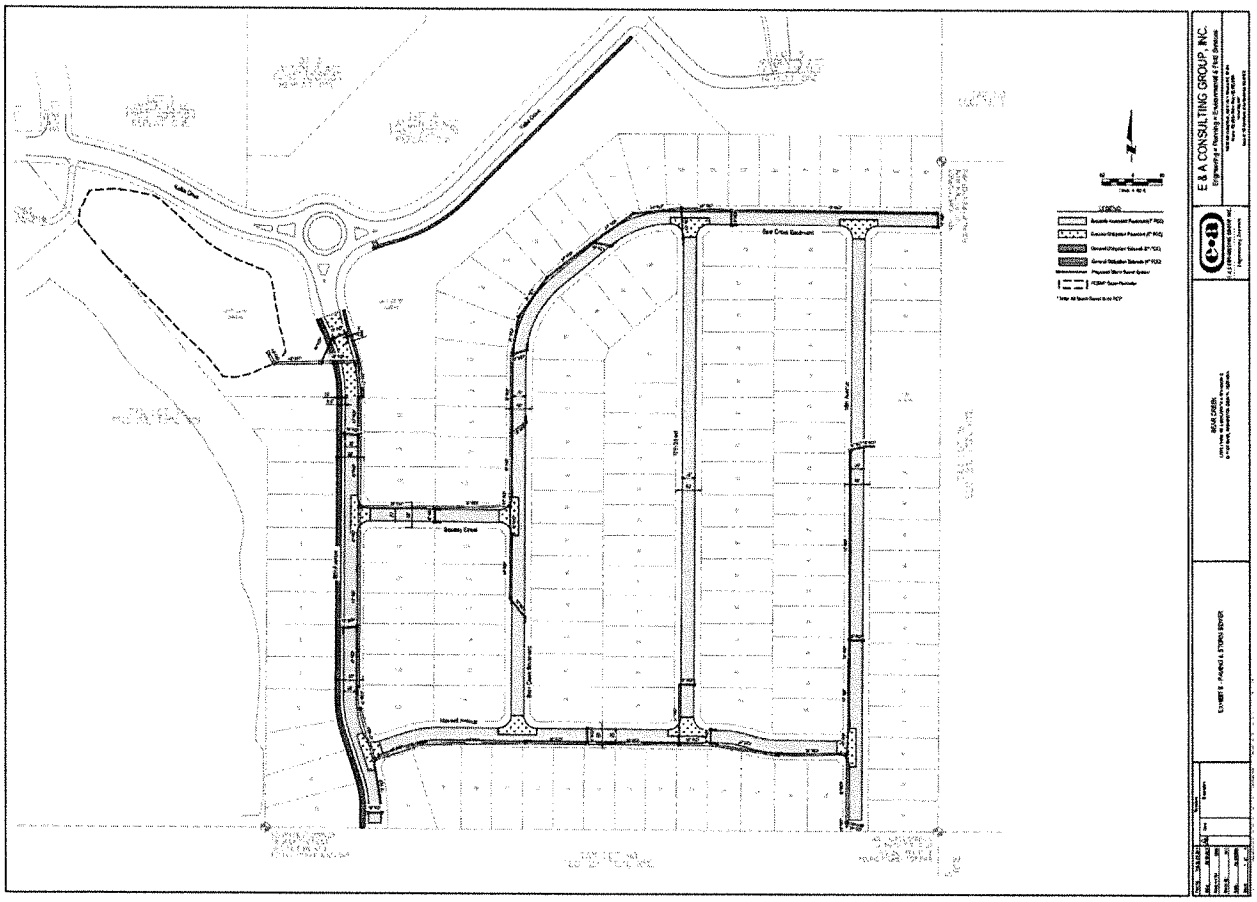


EXHIBIT C
SANITARY SEWER

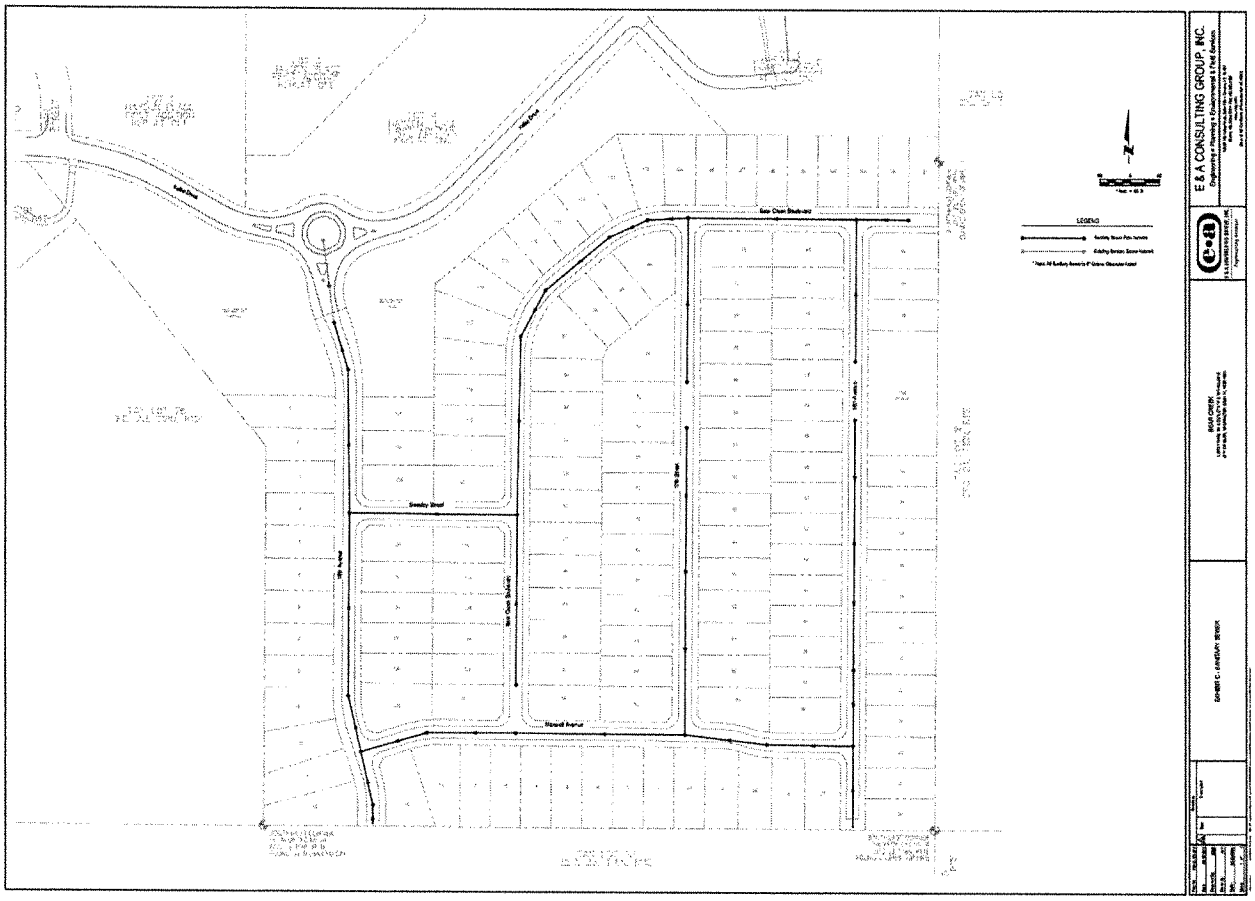
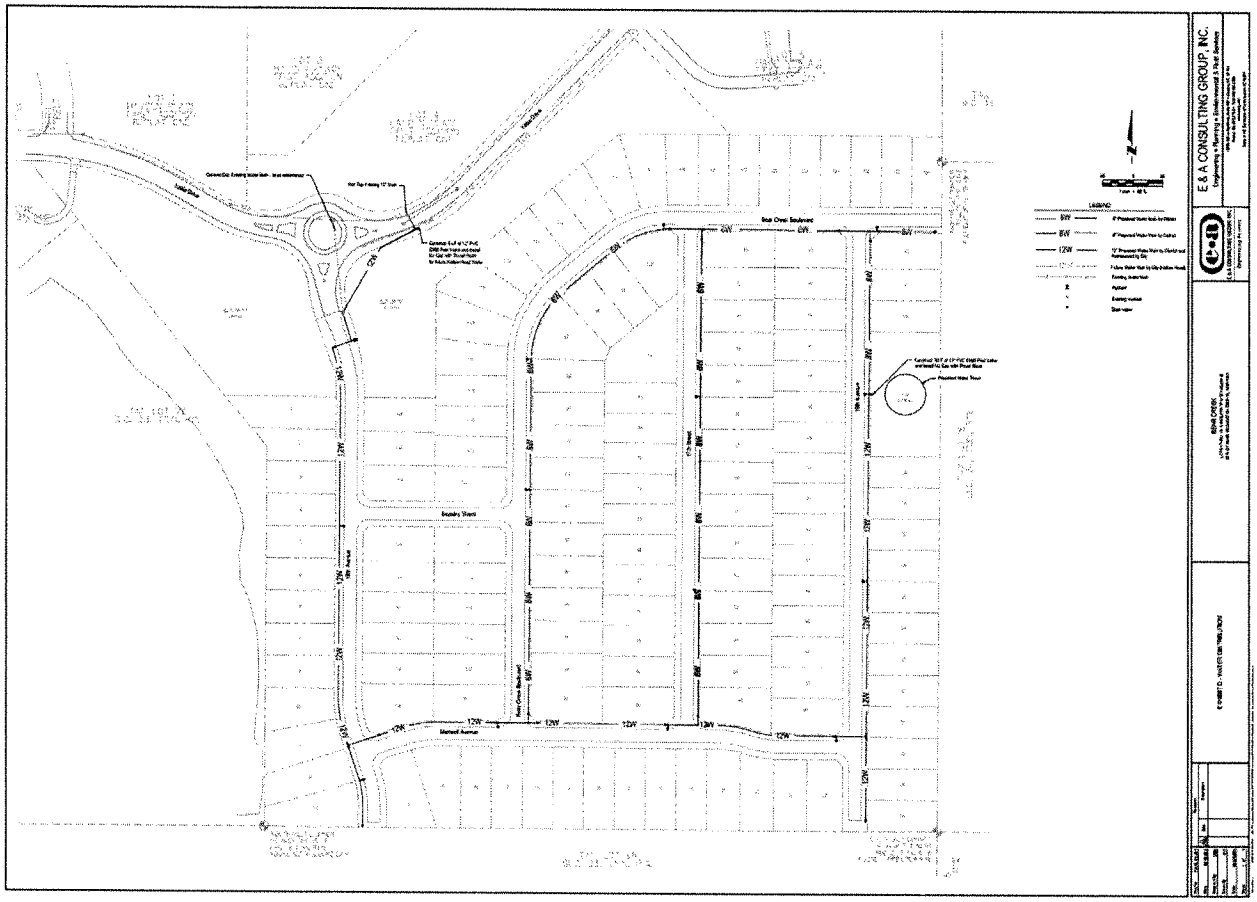


EXHIBIT D
WATER DISTRIBUTION


E & A CONSULTING GROUP, INC.
Engineering • Planning • Environmental • Field Services
LEGEND
8"W
8"W
12"W
Bear Creek Boulevard
Bear Creek Boulevard
Meinert Avenue
Boundary Street
Fig Street
Fig Street
Fig