

DISPOSITION AND DEVELOPMENT AGREEMENT

**COEUR D'ALENE URBAN RENEWAL AGENCY
dba ignite cda**

and

**Atlas Mill Property
Coeur d'Alene, Idaho**

LIST OF ATTACHMENTS

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DISPOSITION AND DEVELOPMENT AGREEMENT

THIS DISPOSITION AND DEVELOPMENT AGREEMENT (“Agreement”) is entered into by and between the Coeur d’Alene Urban Renewal Agency dba ignite cda and _____, an _____, individually referred to as a “Party” and collectively referred to as the “Parties.” The Parties agree as follows:

1. DEFINITIONS

“Agency” means the Coeur d’Alene Urban Renewal Agency dba ignite cda and any assignee of or successor to its rights, powers, and responsibilities under this Agreement.

“Agency Closing Conditions” has the meaning ascribed to it in Section 5.4.1.

“Agency’s Title Notice” has the meaning ascribed to it in Section 3.2.

“Agreement” has the meaning ascribed to it in the first paragraph of this document.

“Agreement to Negotiate Exclusively” means the Agreement to Negotiate Exclusively by and between Agency and Developer.

“Basic Concept Drawings” shall be attached hereto as Attachment 6.

“Certificate of Completion” means the Certificate of Completion for the Project, as ascribed to it in Section 9.

“City” means the City of Coeur d’Alene, Idaho.

“Close” and “Closing” refer to that point in time when a deed held in Escrow is recorded in the office of the Recorder of the county in which the subject property is located and funds due to Agency upon delivery of the such deed are available for distribution from the Escrow to Agency, notwithstanding that such funds may not actually be distributed due to wire transfer deadlines or similar circumstances.

“Closing” has the meaning ascribed to it in Section 5.3.3.

“Declaration” means that certain Master Declaration for Atlas Waterfront recorded on February 12, 2021.

“Deed” means the Special Warranty Deed.

“Deposit” has the meaning ascribed to it in Section 5.2.

“Design Refinement” has the meaning ascribed to it in Section 7.5.

“Design Review Drawings” has the meaning ascribed to it in Section 7.5, including any approved revisions.

“Developer” means _____, an _____.

“Developer Affiliate” has the meaning ascribed to it in Section 2.4.2.

“Developer Closing Conditions” has the meaning ascribed to it in Section 5.4.2.

“Developer Due Diligence Costs” mean all out-of-pocket costs incurred by Developer in association with the architectural and engineering costs for the Project and legal fees for the Project as approved by Agency pursuant to Section 11.5.6.

“Developer’s Title Notice” has the meaning ascribed to it in Section 3.2.

“Effective Date” shall be the date when this Agreement is signed by the Agency and the Developer.

“Escrow” means the escrow set up by the Parties with the Escrow Agent with respect to the acquisition of the Property.

“Escrow Agent” has the meaning ascribed to it in Section 5.3.

“Final Construction Documents” means those drawings, plans, and specifications sufficient in detail to obtain a building permit for the Project, including a final landscaping and grading plan.

“Infrastructure Payment” has the meaning ascribed to it in Section 5.1.2.

“No Fault Party” has the meaning ascribed to it in Section 12.9.

“Party” has the meaning ascribed to it in the first paragraph of this document.

“Parties” has the meaning ascribed to it in the first paragraph of this document.

“Permitted Title Exceptions” has the meaning ascribed to it in Section 3.2.

“Plan Area” means the area under the jurisdictional scope of the Redevelopment Plan.

“Principal Designer” shall have the meaning ascribed to it in Section 7.5

“Project” means the project that is the subject of this Agreement and more particularly described in Section 2.5 below.

“Project Area” means the Project Area identified in the Redevelopment Plan.

“Project Budget” has the meaning ascribed to it in Section 4.1(a).

“Property” means the real property described on Attachment 2.

“PUD” means the Atlas Waterfront Development Agreement for the Atlas Waterfront Planned Unit Development Permit No. 4-19, as platted with and approved by the City Planning Commission, and as may be amended.

“Purchase Price” has the meaning ascribed to it in Section 5.1.1.

“Redevelopment Plan” means the [Urban Renewal Plan for the Atlas Urban Renewal Project as recommended by Agency and approved by City in 2018] [the River District Redevelopment Plan, as recommended by Agency and approved by City on November 18, 2003, as amended by the First Amendment to the River District Redevelopment Plan on July 13, 2016 and the Second Amendment to River District Redevelopment Plan on December 4, 2018, and as further amended].

“Scope of Development” means the schedule attached to this Agreement as Attachment 3.

“Schedule of Performance” means the schedule attached to this Agreement as Attachment 4.

“Site” means certain real property commonly referred to as the Area ___ of Atlas Mill Site in Coeur d’Alene, Idaho (the "Site") as depicted on Attachment 1 and described on Attachment 2 attached hereto and incorporated herein.

“Special Warranty Deed” means a deed in the substance and form of the draft deed attached hereto as Attachment 7.

“Supplemental Title Objections” has the meaning ascribed to it in Section 3.2.

“Title Company” means Kootenai Title, Coeur d’Alene, Idaho 83814, Sam Johnson, title officer.

“Title Policy” has the meaning ascribed to it in Section 5.4.2.

“Title Report” has the meaning ascribed to it in Section 3.2.

“Urban Renewal Law” has the meaning ascribed to it in Section 2.4.1.

2. SUBJECT OF AGREEMENT

2.1 Purpose of this Agreement

The purpose of this Agreement is to effectuate the Redevelopment Plan by memorializing the disposition of the Property to Developer to facilitate the Project, for construction of a _____ development within the Plan Area.

This Agreement sets forth the terms of Agency's disposition and development of the Property currently owned by Agency to Developer for purposes of the Project consisting of the construction of _____.

2.2 The Redevelopment Plan

This Agreement is subject to the provisions of the Redevelopment Plan. In the event of any conflict between the terms of this Agreement and the Redevelopment Plan, this Agreement shall control.

2.3 The Project Area

The Project Area is located in the Plan Area, and the exact boundaries thereof are specifically described in the Redevelopment Plan.

2.4 Parties to This Agreement

2.4.1 Agency

Agency is an independent public body, corporate and politic, exercising governmental functions and powers and organized and existing under the Idaho Urban Renewal Law of the State of Idaho, title 50, chapters 20 and 29, Idaho Code (collectively the "Urban Renewal Law"). The office of Agency is located at 105 N. 1st Street, Suite 100, Coeur d'Alene, Idaho 83814.

2.4.2 Developer

Developer is _____, an _____.
The principal office of Developer is located at _____.
Developer reserves the right to transfer the rights under this Agreement as authorized herein, including the right to have the Property to which it is to take title hereunder conveyed to and developed by an affiliated entity that it has a majority ownership stake in and controls ("Developer Affiliate").

2.4.3 Developer's General Contactor

Developer has selected _____ as its general contractor on the Project as of this date. The qualifications and identity of Developer's general

contractor are of particular concern to Agency. In the event Developer desires to select another general contractor for the Project other than _____, Developer agrees to notify Agency of such desire and provide the identity of the substitute general contractor for Agency's approval, which approval shall not be unreasonably withheld.

2.5 The Project

The Project that is the subject of this Agreement includes the construction [insert brief description] (the "Project").

The Project will substantially conform to the Basic Concept Drawings, attached hereto as Attachment 6 (the "Basic Concept Drawings"), as amended.

2.6 Disposition Does Not Contemplate Land Speculation

Developer represents and warrants that its undertakings pursuant to this Agreement are and will be used for the purpose of the development of the Project and not for speculation in landholding except as to the extent authorized in this Agreement. Developer agrees that the Site is subject to the Declaration and the Project must be completed in accordance with the timeline provided therein. Failure to complete the Project in accordance with the timeline in the Declaration will subject the Developer to monetary penalties, as provided in the Declaration.

2.7 Selection of Developer

Developer further recognizes that in view of:

- (a) The importance of the Project as part of the development of the Property to the general welfare of the community;
- (b) the reliance by Agency on the real estate expertise of Developer and the continuing interest which Developer will have in the Project to assure the quality of the use, operation, and maintenance of the development thereof; and
- (c) the fact that a change in control of Developer or any other act or transaction involving or resulting in a significant change in the ownership or a change with respect to the identity of the parties in control of Developer or the degree thereof may be for practical purposes a transfer or disposition of any portion of the Project.

The qualifications and identity of Developer are of particular concern to Agency, and it is because of such qualifications and identity that Agency has entered into this Agreement with Developer. No voluntary or involuntary successor in interest of Developer shall acquire any rights or powers under this Agreement except as expressly set forth herein. Except as provided herein, Developer shall not assign all or any part of this Agreement

without the prior written approval of Agency, which approval shall not be unreasonably withheld.

It shall not be unreasonable for Agency to withhold its approval when using criteria such as those used by this and other redevelopment agencies in selecting redevelopers for similar developments, or because the proposed transferee does not have a current financial strength, experience, or reputation for integrity equal to or better than Developer as of the date this Agreement has been executed by Agency. Developer shall promptly notify Agency of any and all changes whatsoever in the identity of the parties having control of Developer. This Agreement may be terminated by Agency if there is any significant change (voluntary or involuntary) in the management or control of Developer in violation of this Agreement (other than such changes occasioned solely by the death or incapacity of an individual) that has not been approved by Agency prior to the time of such change, if such change occurs prior to the issuance of the Certificate of Completion referred to in Section 9.

Notwithstanding any other provisions hereof, Developer reserves the right, at its discretion and without the prior written consent of Agency, subject to the disclosure requirements set forth below, to join and associate with other persons in joint ventures, partnerships, or other entities for the purpose of acquiring and developing the Property, or portions thereof, provided that Developer maintains operating control of such entities and remains fully responsible to Agency as provided in this Agreement with respect to the Property.

This Section is not deemed to preclude mortgage-lender participation and conditions therein, provided such mortgage-lender participation complies with this Agreement.

Provided further, however, Developer is required to make full disclosure to Agency of its principals, officers, managers, joint venturers, key managerial employees involved in the Project, and all similar material information concerning Developer, in each case to the extent relevant to Developer's performance hereunder. Any significant change (other than such changes occasioned solely by the death or incapacity of an individual) during the period of this Agreement in the control of Developer or the control by Developer of the Project covered by this Agreement is subject to the approval of Agency, such approval not to be unreasonably withheld.

3. RIGHT OF ENTRY/REVIEW OF TITLE

3.1 Right of Entry; Developer's Investigations

Subject to the conditions set forth herein, including the insurance and indemnity provisions set forth in Section 8, Developer and its agents, contractors, consultants, and employees are hereby given permission to access the Property at all reasonable times until the Closing (or earlier termination of this Agreement), during normal business hours, for the purpose of conducting tests and inspections of the Property, including

surveys and architectural, engineering, geotechnical and environmental inspections and tests.

Developer shall provide to Agency, promptly upon completion and at no cost or expense to Agency, and without representation or warranty of any kind, a list of all reports, studies and test results prepared by Developer's consultants and copies of any of the above-listed materials Agency might request. All of the foregoing inspections shall be performed by Developer at Developer's sole cost and expense unless otherwise specified herein.

As a condition to any such entry, inspection or testing, Developer shall (a) notify Agency in advance of the date and purpose of the intended entry and provide to Agency the names and/or affiliations of the persons entering the Property; (b) conduct all studies in a diligent, expeditious and safe manner and not allow any dangerous or hazardous conditions to occur on the Property; (c) comply with all applicable laws and governmental regulations; (d) keep the Property free and clear of all materialmen's liens, lis pendens and other liens arising out of the entry and work performed by or on behalf of Developer; (e) maintain or assure maintenance of workers' compensation insurance on all persons entering the Property for or on behalf of Developer in the amounts required by the State of Idaho; and (f) promptly repair any and all damage to the Property caused by Developer, its agents, employees, contractors, or consultants and return the Property to its original condition following Developer's entry.

Subject to the foregoing, Developer shall indemnify, defend, and hold harmless Agency, and its officers, officials, representatives, members, employees, volunteers and agents from and against any and all loss, cost, liability or expense (including reasonable attorneys' fees) arising from the entries of Developer, its agents, contractors, consultants, and employees upon the Property or from Developer's failure to comply with the conditions to Developer's entry onto the Property provided for herein; provided, however, the indemnity shall not extend to protect Agency from any pre-existing liabilities for matters merely discovered by Developer (e.g., latent environmental contamination) or for matters arising from the negligent or wrongful act or omission of Agency, or its respective officers, agents, or employees, from conduct resulting in an award of punitive damages against Agency, or for matters which Agency has agreed to indemnify Developer. Such indemnity shall survive the Close of Escrow or the termination of this Agreement for any reason.

3.2 Review of Title; Approved Title Exceptions

Title to the Property shall be free and clear of all liens, encumbrances, easements, assessments, restrictions, and tenancies, whether recorded or unrecorded, and exceptions to title caused or suffered by Agency or anyone claiming by or through Agency except (i) the lien of taxes not yet due and payable; (ii) the title insurer's standard printed exceptions; and (iii) those exceptions which are approved or deemed approved by Developer as set forth in this Section 3.2 (collectively, the "Permitted Title Exceptions").

Upon execution of this Agreement, Developer shall obtain or cause the Escrow Agent to obtain a commitment for title insurance ("Title Report") with instructions that the original Title Report together with copies of documents creating exceptions thereon be delivered to Developer with copy to Agency. After receipt of the Title Report and copies of documents creating exceptions thereon, Developer shall have twenty (20) days to review the condition of title set forth in the Title Report and deliver notice to Agency in writing of any objections Developer may have, with reasons specified, of anything contained in the Title Report ("Developer's Title Notice"). Any such items which Developer shall not object to shall be conclusively deemed as approved by Developer as Permitted Exceptions. If Developer objects to any item contained in the Title Report, Agency shall have the option, but not the obligation, to satisfy such objection prior to Closing. Unless Agency gives Developer written notice that Agency is willing to satisfy Developer's written objections to the Title Report within twenty (20) days after receipt of Developer's objections ("Agency's Title Notice"), Agency shall be deemed to be unwilling or unable to satisfy such objections and Developer may either waive such objections or terminate this Agreement by delivering written notice to Agency within ten (10) days after Agency's Title Notice is received or the time has expired for Agency to deliver Agency's Title Notice, whichever is earlier. Failure of Developer to deliver such notice to Agency within such ten (10) day period shall be conclusively deemed Developer's waiver of such objections and all such items shall be Permitted Exceptions.

If, prior to the Close of Escrow, Developer receives any supplement to the Title Report (with the understanding that Developer shall have the right to order updates to the Title Report at any time prior to Close of Escrow) disclosing any new title matters that will adversely affect the use or development of the Project, Developer shall have five (5) business days from receipt of such supplemental title report (and all underlying documents referenced therein) to notify Agency of any objections ("Supplemental Title Objections") it may have with respect to the supplemental title report.

If Developer does not give such notice within such five (5) business day period, such failure shall be conclusively deemed to be Developer's approval of those matters.

If Developer has any Supplemental Title Objections, Agency shall have five (5) business days after receipt thereof to notify Developer that Agency (a) will cause or (b) elects not to cause any or all of the Supplemental Title Objections disclosed therein to be removed or insured over by the Title Company in a manner reasonably satisfactory to Developer. Agency's failure to notify Developer within such five (5) business day period as to any Supplemental Title Objections that Agency is willing to cure or cause to be insured over shall be deemed an election by Agency not to remove or have the Title Company insure over such Supplemental Title Objections.

If Agency notifies or is deemed to have notified Developer that Agency shall not remove nor have the Title Company insure over any or all of the Supplemental Title Objections, Developer shall have three (3) business days after the expiration of Agency's five (5) business day period to respond to Developer's Supplemental Title

Objections to either (a) terminate this Agreement or (b) waive such Supplemental Title Objections and proceed to Closing, without any abatement or reduction in the purchase price on account of such Supplemental Title Objections or (c) propose an abatement or reduction in the purchase price on account of such Supplemental Title Objections, which the Agency shall have ten (10) days to accept or reject.

If Developer does not give notice within said period. Developer shall be deemed to have elected to waive the Supplemental Title Objections.

3.3 Compliance With Laws

Developer shall comply with applicable laws and building codes with respect to any work or investigations performed by or on behalf of Developer on the Property prior to Closing, including any erosion control program.

4. EVIDENCE OF PROJECT FINANCING

4.1 Submission of Preliminary Evidence of Financing

No later than thirty (30) days after the Effective Date or such later time as may be approved by Agency, Developer shall submit to Agency evidence satisfactory to the Agency that Developer will have at or before Closing the financial capability necessary for the acquisition of the Property and the development of the Project thereon pursuant to this Agreement. Such preliminary evidence of financial capability shall include all of the following:

(a) Reliable cost estimates for Developer's total cost of acquiring the Property and developing the Project (including both "hard" and "soft costs" ("Project Budget")).

(b) A copy of the loan commitment or commitments obtained by Developer, or a Letter of Intent and proof of funds from an equity partner, for all of the sources of funds to finance acquisition of the Property and construction of the Project. All copies of term sheets and loan commitments submitted by Developer to Agency shall be certified by Developer to be true and correct copies thereof.

(c) If the total Project Budget exceeds the amount of financing commitments received pursuant to subparagraph (b) above, evidence satisfactory to Agency demonstrating that Developer has adequate funds available and committed to cover such difference.

4.2 Time to Approve Evidence of Financing

Agency shall approve or disapprove of Developer's preliminary evidence of financing within thirty (30) days of receipt of a complete submission. Agency's approval shall not be unreasonably withheld. If Agency shall disapprove such evidence of financing, Agency shall do so by written notice to Developer stating the reasons for such

disapproval and Developer shall promptly resubmit its evidence of financial capability, as modified to conform to Agency's requirements, not more than twenty (20) days after receipt of the Agency's disapproval.

4.3 Public Records Law

All information submitted to Agency may be subject to the Idaho Public Records Law. As an alternative to formal submittal of this required information, Developer may allow an inspection and review of such information by Agency. In such case, Agency shall provide a notice of approval of evidence of financing in writing within the time allotted in Section 4.2.

4.4 Lender Modifications

The Parties acknowledge that substantial debt financing will be necessary for the development of the Project. Developer may submit for Agency approval, and Agency shall reasonably consider, modifications to this Agreement requested by Developer's lenders or prospective lenders for the Project.

4.5 No Encumbrances Except Mortgages, Deeds of Trust, Sales and Leasebacks, or Other Financing for Development

Notwithstanding Section 12.1, deeds of trust, sales and leasebacks, or any other form of conveyance required for any reasonable method of financing are permitted before issuance of a Certificate of Completion, but only for the purpose of securing loans of funds to be used for financing the acquisition of the Site, the construction of Project, and any other expenditures necessary and appropriate to develop the Site under this Agreement. The Developer shall notify the Agency in advance of any mortgage, deed of trust, sale and leaseback, or other form of conveyance for financing if the Developer proposes to enter into the same before issuance of a Certificate of Completion. The Developer shall not enter into any such conveyance for financing without the prior written approval of the Agency, which approval the Agency shall not unreasonably withhold.

4.6 Holder Not Obligated to Construct Improvements

The holder of any mortgage, deed of trust, or other security interest and the lessor under a leaseback or grantee under any other conveyance for financing authorized by this Agreement shall in no way be obligated by the provisions of this Agreement to construct or complete the improvements or to guarantee such construction or completion. Nor shall any covenant or any other provision in the grant deed or deed for the Site be construed so to obligate such holder. Provided, however, in the event the Agency proceeds to foreclose its interest in the Deed of Trust with Developer, any such bidder shall take the property subject to this Agreement and the Declaration. Nothing in this Agreement shall be deemed to construe, permit, or authorize any such holder to devote the Site to any uses or to construct any

improvements thereon other than those uses or improvements provided for or authorized by this Agreement.

4.7 Notice of Default to Mortgage or Deed of Trust, or Other Security Interest Holders; Right to Cure

Whenever the Agency shall deliver any notice or demand to the Developer with respect to any breach or default by the Developer in completion of construction of the Project, the Agency shall at the same time deliver a copy of such notice or demand to each holder of record of any mortgage, deed of trust, or other security interest and to the lessor under a leaseback or to the grantee under any other conveyance for financing authorized by this Agreement, who has previously made a written request to the Agency therefor. Each such holder shall (insofar as the rights of the Agency are concerned) have the right, at the holder's option, within ninety (90) days after the receipt of the notice to cure or remedy or commence to cure or remedy any such default and to add the cost thereof to the security interest debt and the lien on its security interest or to the obligations of the lessee under any leaseback or of the grantor under any other conveyance for financing. In the event there is more than one such holder, the right to cure or remedy a breach or default of the Developer under this Section shall be exercised by the holder first in priority or as the holders may otherwise agree among themselves, but there shall be only one exercise of such right to cure and remedy a breach or default of the Developer under this Section. Nothing contained in this Agreement shall be deemed to permit or authorize such holder to undertake or continue the construction or completion of the Project (beyond the extent necessary to conserve or protect the improvements or construction already made) without first having expressly assumed the Developer's obligations to the Agency by written agreement satisfactory to the Agency. The holder in that event must agree to complete, in the manner provided in this Agreement, the Project to which the lien or title of such holder relates and submit evidence satisfactory to the Agency that it has the qualifications and financial responsibility necessary to perform such obligations. Any such holder properly completing such Project shall be entitled, upon written request made to the Agency, to a Certificate of Completion from the Agency.

4.8 Failure of Holder to Complete Project

In any case where six (6) months after default by the Developer in completion of construction of the Project under this Agreement the holder of any mortgage, deed of trust, or other security interest creating a lien or encumbrance upon the Site or the lessor under a leaseback or the grantee under any other conveyance for financing of the Site has not exercised the option to construct, or if it has exercised the option and has not proceeded diligently with construction, the Agency may purchase the mortgage, deed of trust, or other security interest by payment to the holder of the amount of the unpaid debt plus any accrued and unpaid interest. If the ownership of the Site has vested in the holder, the Agency, if the Agency so desires, shall be entitled to a conveyance of the Site from the holder to the Agency upon payment to the holder of an amount equal to the sum of the following:

- (1) the unpaid mortgage, deed of trust, or other security interest debt at the time title became vested in the holder (less all appropriate credits, including those resulting from collection and application of rentals and other income received during foreclosure proceedings);
 - (2) all expenses with respect to foreclosure;
 - (3) the net expenses, if any (exclusive of general overhead), incurred by the holder as a direct result of the subsequent management of the Site;
 - (4) the costs of any authorized improvements made by such holder;
- and
- (5) an amount equivalent to the interest that would have accrued on the aggregate of such amounts had all such amounts become part of the mortgage or deed of trust debt and such debt had continued in existence to the date of payment by the Agency.

4.9 Right of Agency to Cure Mortgage, Deed of Trust, or Other Security Interest Default

In the event of a default or breach by the Developer of a mortgage, deed of trust, or other security interest or of a leaseback or of obligations to the grantee under any other conveyance for financing with respect to the Site prior to the completion of the Project and the holder has not exercised the holder's option to complete the development, the Agency may cure the default prior to completion of any foreclosure, termination of lease, or completion of proceedings by which such other security interest is retained or granted back. The rights of the Agency to cure defaults under the preceding sentence shall involve the rights of a debtor or subsequent lienholder to cure defaults under title 11, chapter 4; title 6, chapter 1; and title 45, chapter 15, of the laws of Idaho. The Agency shall also be entitled to a lien upon the Site to the extent of such costs and disbursements. Any such lien shall be subordinate to mortgages, deeds of trust, or other security interests or the interests of lessors under any leasebacks or the interests of grantees under any other conveyances for financing executed for the sole purpose of obtaining funds to purchase and develop the Site as authorized herein.

4.10 Right of the Agency to Satisfy Other Liens on the Agency Site After Title Passes

After the conveyance of title and prior to the issuance of a Certificate of Completion for construction and development and after the Developer has had a reasonable time to challenge, cure, or satisfy any liens or encumbrances on the Site, the Agency shall have the right to satisfy any such liens or encumbrances; provided, however, nothing in this Agreement shall require the Developer to pay or make provision for the payment of any tax, assessment, lien, or charge so long as the

Developer in good faith shall contest the validity or amount thereof and so long as such delay in payment shall not subject the Site to forfeiture or sale.

5. DISPOSITION AND CONVEYANCE OF THE PROPERTY

5.1 Disposition and Conveyance of the Property

In accordance with and subject to all the terms, covenants, and conditions of this Agreement, Agency agrees to convey the entire fee estate of the Property in the condition required pursuant to this Section of this Agreement to Developer.

Developer agrees to develop the Property within the time, for the consideration, and subject to the terms, conditions, and provisions as herein provided, including, without limitation, as provided in the Scope of Development (Attachment 3) and the Schedule of Performance (Attachment 4). Agency agrees to meet its obligations herein provided with respect to the Property including, without limitation, as provided in the Scope of Development and the Schedule of Performance. The time periods set forth in the Schedule of Performance may be extended for up to ninety (90) days in total if the delays are caused by matters beyond the Developer's reasonable control. Any extension must be agreed upon in writing by Agency.

The sale of the Property by Agency to Developer is for purpose of development, in compliance with the Urban Renewal Law, and to achieve the objectives of the Redevelopment Plan. Thus, use of the Property for land speculation is prohibited.

5.1.1 Purchase Price

The purchase price for the Property (the "Purchase Price") is _____ and 00/100 Dollars (\$_____).

5.1.2 Infrastructure Payment

[In addition to the Purchase Price, Developer shall pay \$_____ (the "Infrastructure Payment") to the Agency in exchange for Agency's construction and installation of certain utilities as further described in the Infrastructure Plan attached hereto as Attachment 9. The Infrastructure Payment shall be due _____.]

5.2 Closing Deposit

Developer previously deposited with Agency the sum of _____ (\$_____) under the terms of the Agreement to Negotiate Exclusively. Upon full execution of this Agreement, the Agreement to Negotiate Exclusively shall be of no further effect and such sum shall become a deposit under this Agreement (the "Deposit"). The Deposit shall be credited toward Developer's closing costs at Closing.

5.3 Escrow.

Within five (5) business days after the Effective Date of this Agreement, the Parties agree to open an escrow (the “Escrow”) with the Title Company (the “Escrow Agent”). This Agreement constitutes the joint escrow instructions of Agency and Developer, and a duplicate original of this Agreement shall be delivered to the Escrow Agent upon the opening of the Escrow. Agency and Developer shall provide such additional escrow instructions as shall be necessary and consistent with this Agreement. The Escrow Agent hereby is empowered to act under this Agreement and, upon indicating its acceptance of the provisions of this Section in writing delivered to Agency and to Developer within five (5) days after the opening of the Escrow, shall carry out its duties as Escrow Agent hereunder.

5.3.1 Escrow Instructions

This Agreement, together with any standard instructions of Escrow Agent that the Parties may subsequently execute, and any additional instructions of Developer and Agency to Escrow Agent consistent with the provisions of this Agreement, shall constitute the joint escrow instructions of Developer and Agency to Escrow Agent as well as an agreement between Developer and Agency. In the event of any conflict between the provisions of this Agreement and Escrow Agent’s standard instructions, if executed by the Parties, this Agreement shall prevail.

5.3.2 Payment of Costs

Developer and Agency shall each pay one-half of the Escrow fee, any charges for recording the Special Warranty Deed and the other documents to be recorded hereunder (to the extent the County Recorder’s Office does not waive such charges). Agency shall pay the charge for an ALTA standard owner’s policy with coverage in the amount of the Purchase Price. Developer shall pay the charge for any additional title coverage requested by Developer, including an ALTA extended owner’s policy, if Developer obtains such policies. Developer will be responsible for paying endorsements desired by Developer except for the cost of any endorsements Agency agrees to provide to cure any Supplemental Title Objections pursuant to Section 3.2. Agency and Developer shall each be responsible for their respective attorneys’ fees and costs. Taxes and assessments, if any, applicable to periods before and after Closing shall be allocated to the Property and prorated between the Parties in an equitable manner. Agency shall cause all utilities serving the Property to be terminated on or before Closing and shall be responsible for costs associated with such utility services prior to Closing. All other costs of the Escrow not specifically allocated in this Agreement shall be allocated to the Parties as is customary in a commercial real estate transaction in Kootenai County, Idaho.

5.3.3 Close of Escrow

The Closing Date shall occur within ten (10) days after the date all of the Agency Closing Conditions and the Developer Closing Conditions in Sections 5.4.1 and 5.4.2 (other than the conditions on the delivery of documents and funds into Escrow, which shall occur during said ten (10) day period) are satisfied or waived by the benefited party, but in no event later than the date that is six (6) months after the Effective Date.

5.3.4 Deliverables by Agency

On or before the scheduled Closing Date, Agency shall deliver the following to Escrow Agent:

- (a) the Site improved in accordance with the Infrastructure Plan attached hereto as Attachment 9;
- (b) the Special Warranty Deed, duly executed and acknowledged by Agency; and
- (c) all other documents reasonably required by Escrow Agent from Agency to carry out and close the Escrow pursuant to this Agreement.

5.3.5 Deliverables by Developer

On or before the scheduled Closing Date, Developer shall deliver the following to Escrow Agent:

- (a) the balance of the Purchase Price;
- (b) the Special Warranty Deed, duly executed and acknowledged by Developer;
- (b) executed construction loan documents for the Project consistent with the evidence of financing as approved by Agency pursuant to Section 4; and
- (b) all other sums and documents reasonably required by Escrow Agent from Developer to carry out and close the Escrow pursuant to this Agreement, including Developer's portion of the Escrow fees and prorations.

5.3.6 Closing, Recording and Disbursements

On the Closing Date (except as otherwise provided below), and when all of the conditions precedent to the Close of Escrow set forth in Sections 5.4.1 and 5.4.2 of this Agreement have been satisfied or waived by the appropriate party in writing, Escrow Agent shall take the actions set forth in this Section.

- (a) Recording. Escrow Agent shall cause the Special Warranty Deed to be recorded in the office of the Recorder of Kootenai County, Idaho.

(b) Disbursement of the Purchase Price. Escrow Agent shall disburse the Purchase Price to Agency after deducting therefrom the escrow closing costs and prorations chargeable to Agency hereunder.

(c) Delivery of Closing Documents. Escrow Agent shall deliver to Developer the recorded Special Warranty Deed and any other documents (or copies thereof) deposited by Developer with Escrow Agent pursuant to this Agreement, with copies of same to Developer.

(d) Delivery of Title Policy. Escrow Agent shall instruct the Title Company to deliver the Title Policy to Developer.

5.3.7 General Escrow Account

All funds received in the Escrow shall be deposited by the Escrow Agent with other escrow funds of the Escrow Agent in a general escrow account or accounts with any state or national bank doing business in the State of Idaho. Such funds may be transferred to any other such general escrow account or accounts. All disbursements shall be made by check of the Escrow Agent. All adjustments shall be made on the basis of a thirty (30)-day month.

5.3.8 Termination for Failure to Meet Closing Conditions

If the Escrow is not in condition to Close before the time for conveyance established in this Agreement, either Party who then shall have fully performed the acts to be performed before the Closing, may, in writing, terminate this Agreement in the manner set forth in Section 11.6 hereof, and demand the return of its money, papers, and documents. Thereupon, subject to Section 11.6, all obligations and liabilities of the Parties under this Agreement shall cease and terminate in the manner set forth in Section 11.6 hereof. If neither Agency nor Developer shall have fully performed the acts to be performed before the time for conveyance established in the Schedule of Performance, no termination or demand for return shall be recognized until ten (10) days after the Escrow Agent shall have mailed copies of such demand to the other Party or Parties at the address of its or their principal place or places of business. If any objections are raised within the 10-day period, the Escrow Agent is authorized to hold all money, papers, and documents until instructed in writing by both Agency and Developer or upon failure thereof by a court of competent jurisdiction. If no such demands are made, the Parties shall cause the Closing to occur as soon as possible. The terms of this paragraph shall not affect the rights of Agency or Developer to terminate this Agreement under Section 11 hereof. Nothing in this Section shall be construed to impair or affect the rights or obligations of Agency or Developer to specific performance.

5.3.9 Amendment

Any amendment of these escrow instructions shall be in writing and signed by both Agency and Developer. At the time of any amendment, the Escrow Agent shall agree to carry out its duties as Escrow Agent under such amendment.

5.3.10 No Real Estate Commissions or Fees

Agency represents that it has not engaged any broker, agent, or finder in connection with this transaction. Developer represents that it has not engaged a broker in connection with this transaction. Developer agrees to hold Agency harmless from any claim concerning any real estate commission or brokerage fees arising out of Developer's actions and agrees to defend and indemnify Agency from any such claim asserted concerning the commission or brokerage fees. Agency agrees to hold Developer harmless from any claim concerning any real estate commission or brokerage fees arising out of Agency's actions and agrees to defend and indemnify Developer from any such claim asserted concerning the commission or brokerage fees. Provided, however, nothing herein shall prevent Developer from preleasing or preselling space within the Project, thus incurring real estate commissions or brokerage fees. In no event, though, shall Agency be liable for any real estate commission or brokerage fees on account of any such preleasing or preselling activity.

5.4 Conditions to Property Transfer

5.4.1 Conditions to Agency's Obligations

In addition to any other condition set forth in this Agreement in favor of Agency, Agency shall have the right to condition its obligation to convey the Property to Developer and close the Escrow upon the satisfaction, or written waiver by Agency, of each of the following conditions precedent on the Closing Date or such earlier time as provided for herein (collectively, the "Agency Closing Conditions"). [If Developer is constructing the Project pursuant to a Phasing Plan, attached hereto as Attachment 11, the Agency Closing Conditions will be required with regard to the first phase of the Project in connection with Property Transfer and subsequent phases of the Project, even following Property Transfer, shall satisfy the Agency's Closing Conditions before commencement.] The Agency's Closing Conditions shall include:

(a) Permits and Approvals. Developer shall have obtained all land use approvals and entitlements (other than building permits and condominium plat approvals) for the development of the Project from all governmental agencies with jurisdiction. With regard to such land use approvals and entitlements issued by the City for the Project, the time period for appealing or challenging such approvals and entitlements shall have expired with no challenge having been timely filed, or if timely filed, either the approval or entitlement has been upheld or such action has otherwise been concluded in a manner satisfactory to Developer and Agency. Developer shall have obtained approval of its building plans for the Project and building permits shall be ready to be issued upon payment of fees [as required by the Phasing Plan]. Developer

shall provide written confirmation from the City that the permits and approvals are ready to be issued.

(b) Developer Deliverables Made. Developer has deposited with Escrow Agent all sums and documents required of Developer by this Agreement for the Closing.

(c) Insurance. Developer shall have timely submitted and obtained Agency's approval of the insurance required pursuant to Section 8.1 of this Agreement.

(d) Evidence of Financing. Agency shall have approved Developer's evidence of financing in accordance with Section 4 of this Agreement, and the financing required [for the current phase in accordance with the Phasing Plan] shall be ready to close and be immediately available to Developer for Closing and/or completion of such phase of the Project.

(e) No Default. Developer shall not be in material default of any of its obligations under this Agreement (and shall not have received notice of a default hereunder which has not been cured), and all representations and warranties of Developer contained herein shall be true and correct in all material respects.

(f) Construction Contract. Prior to Closing, Developer shall submit to Agency a construction contract for the current phase of the Project [in accordance with the Phasing Plan] for that requires the Project to be constructed for an amount that does not substantially exceed the Project Budget, as described in Section 4.1(a).

(g) Design and Construction Plans. Agency shall have approved the Design Review Drawings and the Final Construction Plans for current phase of the Project [in accordance with the Phasing Plan].

5.4.2 Conditions to Developer's Obligations

In addition to any other condition set forth in this Agreement in favor of Developer, Developer shall have the right to condition its obligation to purchase the Property and close the Property Escrow upon the satisfaction, or written waiver by Developer, of each of the following conditions precedent on the Closing Date or such earlier time as provided for herein (collectively, the "Developer Closing Conditions"):

(a) Agency Deliverables Made. Agency has deposited with Escrow Agent all documents required of Agency by this Agreement for the Closing.

(b) Title Policy. The Title Company is unconditionally and irrevocably committed to issue to Developer at Closing an ALTA standard coverage owner's title policy, or, upon Developer's request, an ALTA extended coverage owner's policy of title insurance ("Title Policy"), insuring Developer's title to the Property in the amount of the Purchase Price, subject only to the Permitted Title Exceptions and Supplemental Title Objections. If Developer requests ALTA extended coverage, any standard exceptions

shall not be Permitted Title Exceptions. Developer shall be solely obligated for the premium related to any extended coverage policy.

(c) No Default. Agency shall not be in default of any of its obligations under this Agreement (and shall not have received notice of a default hereunder which has not been cured), and Agency's representations and warranties contained herein shall be true and correct in all material respects as of the date of this Agreement and the Closing Date.

5.5 Satisfaction of Conditions

Where satisfaction of any of the foregoing conditions requires action by Developer or Agency, each party shall use its diligent efforts, in good faith, and at its own cost, to expeditiously satisfy such condition. If a party is not in a position to know whether or not a condition precedent has been satisfied, then the party that is aware of the status of the condition shall immediately notify the other party.

5.6 Waiver

Agency may at any time or times, at its election, waive any of the Agency Closing Conditions set forth in Section 5.4.1, but any such waiver shall be effective only if contained in a writing signed by Agency and delivered to Developer. Developer may at any time or times, at its election, waive any of the Developer Closing Conditions set forth in Section 5.4.2, but any such waiver shall be effective only if contained in a writing signed by Developer and delivered to Agency.

6. CONDITION OF THE PROPERTY

6.1. "As Is"

Subject to Agency's representations and warranties expressly set forth in this Agreement, which representations and warranties shall survive Closing, Developer acknowledges and agrees that any portion of the Property that it acquires from Agency pursuant to this Agreement shall be purchased "as is."

6.2. Agency Representations

Agency represents and warrants to Developer as follows: (1) Agency has given Developer access complete copies of the Title Report, all other reports included in due diligence items posted on ignitecda.org under the RFP Tab, which constitute all information of which Agency has actual knowledge concerning the physical condition of the Property (2) the individuals entering into this Agreement on behalf of Agency have the authority to bind Agency; (3) entering into this Agreement and the consummation of the transactions contemplated hereby have been duly authorized by all necessary Agency action and do not violate the laws governing Agency's activities or any other agreement to which Agency is a party; and (4) upon Close of Escrow, there will be no tenants, occupants or other parties in possession of the Property. These

representations and warranties shall survive Close of Escrow and delivery of any Deed to Developer.

7. DEVELOPMENT OF THE PROPERTY

7.1. Scope of Development

If acquired by Developer, the Property shall be developed as provided in the Scope of Development, subject to the terms and conditions of this Agreement.

7.2 Local, State, and Federal Laws

Developer shall carry out any required construction of the improvements in conformity with all applicable laws, including all applicable federal and state labor standards.

7.3 Antidiscrimination During Construction

Developer, for itself and its successors and assigns, agrees that in the construction of the improvements provided for in this Agreement, Developer will not unlawfully discriminate against any employee or applicant for employment because of physical disability, race, color, creed, religion, sex, sexual orientation, gender identity/ expression, marital status, ancestry, or national origin.

7.4 Basic Concept Drawings

The Parties acknowledge Developer has submitted to Agency Basic Concept Drawings attached hereto and those Basic Concept Drawings have been approved by the Agency (Attachment 6).

7.5 Design Review Drawings Refinement

Developer and Agency shall refine and supplement the Basic Concept Drawings, which shall culminate in approval of a design plan Developer intends on submitting to the City for a determination the design of the Project complies with the PUD, the Declaration, the provisions of the City's zoning ordinances, the subdivision plat or condominium project plat, as applicable, and related local government requirements (the "Design Review Drawings"). Prior to the submittal of the Design Review Drawings to the City for approval, Developer, a principal representative or representatives from Developer's architectural design firm ("Principal Designer") and Agency shall engage in a process to address design-related issues identified by Agency ("Design Refinement"). Developer shall update Agency as to all revisions and supplements to the Design Review Drawings, perspective renderings, floor plans, site plan, elevations/sections. The Design Review Drawings shall also include a narrative description, statement of any proposed phasing, and a critical path analysis identifying key milestones in the planning and construction stages for the Project. For each phase of the Project,

Developer's submittal of the Design Review Drawings to Agency shall be no less than forty-five (45) days prior to any submittal to the City for approval.

Within the times set forth in the Schedule of Performance, Agency shall either approve or disapprove the Design Review Drawings. In the event the Design Review Drawings are initially disapproved, Agency shall set forth the reasons for disapproval. Agency shall provide the reasons for disapproval and options which would address Agency's reasons for disapproval. Developer shall then have fifteen (15) days to resubmit information to satisfy the reasons for disapproval. Agency shall meet with Developer to discuss the resubmittal and shall identify issues that have not been resolved to Agency's satisfaction if any and shall provide an additional period of fifteen (15) days for Developer to resubmit information to satisfy Agency. Agency and Developer agree that the purpose of this process is to reach a mutually satisfactory resolution of differences on project design with the understanding that Agency retains the right to approve the Design Review Drawings. In the event the Design Review Drawings are again disapproved based on issues identified by Agency in its discussions with Developer, this Agreement shall be terminated pursuant to Section 11.6.2.

7.6 Final Construction Documents

Approximately thirty (30) days prior to Closing or prior to commencement of a subsequent phase of construction after Property Transfer, Developer shall submit to Agency Final Construction Documents. The Final Construction Documents shall be approved, approved conditionally, or disapproved within the time established in the Schedule of Performance and subject to the provisions of Sections 7.7, 7.8, 7.9 and 7.10; provided that the City's approval of the Final Construction Documents shall constitute Agency's approval, unless Agency notifies Developer in writing within fifteen (15) days after Developer notifies Agency that City has approved the Final Construction Documents.

7.7 Agency Approval of Plans, Drawings, and Related Documents

Subject to the terms of this Agreement, Agency shall have the right of reasonable architectural review of all plans and drawings, including any substantial changes therein. In reviewing the Final Construction Documents, Agency shall be guided by the Redevelopment Plan for the Project Area. Developer shall make every reasonable effort to present drawings and plans in compliance with the guidelines. In the event Developer knowingly seeks deviation or waiver from those guidelines, Developer shall so indicate when those drawings and plans are submitted. The guidelines shall be applicable unless specifically waived by Agency.

7.8 Communication; Revisions

Agency and Developer shall communicate and consult informally as frequently as is necessary to ensure that the formal submittal of any documents to Agency can receive prompt and speedy consideration. If any revisions or corrections of plans

approved by Agency shall be required by any government official, agency, department, or bureau having jurisdiction or any lending institution involved in financing, Developer and Agency shall cooperate in efforts to revise or correct the plans or obtain a waiver of such requirements or to develop a mutually acceptable alternative.

7.9 Prompt Review

Agency shall promptly approve the Final Construction Documents to the extent such plans, drawings, and related documents are consistent with plans (including the Design Review Drawings) previously approved by Agency. Agency may designate a committee of its members and staff to expedite plan approvals. Failure by Agency either to approve or to disapprove plans that are consistent with plans previously approved by Agency within the times established in the Schedule of Performance shall be deemed an approval. Any such approved plans, drawings, and related documents shall not be subject to subsequent disapproval. Provided, however, if Developer proposes or advances any material change to the exterior design of the Project previously approved by Agency, Agency shall have the right to review, approve, disapprove, or modify such changes within the time frames and in compliance with the procedures stated herein. Any disapproval shall state in writing the reasons for disapproval and the changes which Agency requests to be made. Such reasons and changes must be consistent with the Scope of Development and any items previously approved or deemed approved hereunder. Developer, upon receipt of a disapproval based upon powers reserved by Agency hereunder, shall review such plans, drawings, and related documents (or such portions thereof) and resubmit them to Agency as soon as possible after receipt of the notice of disapproval. Plans approved or deemed approved hereunder shall be deemed in all respects to be in accordance with the Redevelopment Plan.

7.10 Changes to Final Construction Documents

If Developer desires to make any substantial change in the Final Construction Documents after their approval by Agency, such proposed change shall be submitted to Agency for approval. For purposes of this Section, and this Section only, "substantial change" is defined as any change in the Final Construction Documents which by such change will revise the average value or cost of each structure in the Project or current phase of the Project Developer is seeking to satisfy [in accordance with the Phasing Plan] (following completion) by more than fifteen percent (15%), change the average size of each structure in the Project or current phase of the Project [in accordance with the Phasing Plan] by more or less than fifteen percent (15%), or change the character of the use (such as a change from office to residential, or retail to office) of the Project by more or less than fifteen percent (15%). Such change in the Final Construction Documents shall, in any event, be deemed approved unless rejected, in whole or in part, by written notice thereof setting forth in detail the reason therefor, and such rejection shall be made within such 10-day period.

7.11 Construction Reporting

The Parties acknowledge and agree that communication and cooperation between the Parties is imperative to the successful completion of the Project and to achieve the objectives of the Redevelopment Plan. Therefore, the Parties shall endeavor to keep the other Party sufficiently informed regarding matters related to the development and construction of the Project so the other Party can have a meaningful opportunity to review, comment, and respond on matters relating to the other Party's performance of its obligations under this Agreement.

7.11.1 Developer's Obligations

Developer, as requested by Agency, shall:

(a) Permit Agency staff to attend weekly and/or monthly construction progress and design meetings for the Project to permit Agency to assess the progress of development and construction and assess compliance with the Scope of Development, the Schedule of Performance, and the adherence of the development and construction to the plans approved by Agency.

(b) Provide Agency with a monthly written status report on the Project (consisting of a simple narrative of the status, an update as to the progress on the schedule of performance and a summary of the percentage of completion) in sufficient time to allow for their distribution to Agency's board of directors prior to their regular monthly meetings; such monthly report shall include any photos taken by Developer in the normal course of project supervision that would be helpful to supplement the simple written narrative in the monthly status reports.

(c) If requested, attend and provide oral status reports on the Project at regular monthly meetings of Agency's board of directors; and

(d) To the extent the meetings described in Section 7.11.1(a) above are not adequate, subject to Developer's schedule to be reasonably accommodated, schedule and attend meetings at the request of the Agency with Agency's staff, Agency's consultants, and representatives from the City or other public entities (if necessary) for general coordination and review of the progress and schedule of the Project, any implementation agreements or other documents to be submitted by either Party, and any other tasks necessary or convenient for development of the Project to achieve the objectives of the Redevelopment Plan.

7.11.2 Agency's Obligations

In furtherance of this Section, Agency shall:

(a) provide timely and meaningful comments to the information, reports, and other documents submitted to Agency by Developer;

(b) upon Developer's request, provide Developer with all of Agency's comments, conditions, and requirements regarding Developer's plans for the Project in sufficient time (provided that Developer provides Agency with a reasonable period of time for Agency to review Developer's plans) for Developer to respond to Agency's comments, conditions, and requirements prior to filing an application with City for the Project; and

(c) upon Developer's request, provide reasonable support for the Project and Developer's request to the City, County and such other governmental agencies, including executing documents necessary for Developer to apply for building permits.

7.11.3 Meeting Attendance

The Parties shall use their reasonable efforts to have their respective principals and staff members available, as needed, to participate in meetings, hearings, and work sessions if requested by the other Party. Attendance at a meeting can include attendance by telephone or video conferencing.

7.11.4 Access to the Property

For the purpose of assuring compliance with this Agreement, representatives of Agency shall have the reasonable right of access to the Property without charges or fees and at normal construction hours during the period of construction for the purposes of this Agreement, including, but not limited to, the inspection of the work being performed in constructing the improvements. Agency shall cause anyone who comes onto the Property on Agency's behalf to comply with applicable OSHA or other safety regulations and to minimize interference with the progression of work. Developer, or Developer's contractor, may, except in the case of an emergency, require such access to be scheduled at least 24 hours in advance and all attendees chaperoned.

7.11.5 Reasonableness

Developer shall reasonably comply with the requirements of the Redevelopment Plan as applicable to the Project consistent with this Agreement and shall prepare Final Construction Documents consistent with the Design Review Drawings. Nothing herein shall limit the reviewing authority of Agency granted under this Agreement, provided, however, that Agency and Developer acknowledge that cooperation between the parties is essential to the development of the Project.

7.12 Cost of Construction

The cost of developing and constructing all improvements on the Property under this Agreement shall be borne by Developer unless agreed to otherwise in writing.

8. INSURANCE AND INDEMNIFICATION

8.1 Bodily Injury, Property Damage, and Workers' Compensation Insurance

Developer shall, or through its contractor shall, at its sole cost, obtain and maintain in force upon commencement of any work on the Property and until the completion of the Project insurance of the following types, with limits not less than those set forth below with respect to the Project, and with the following requirements:

8.1.1 Commercial General Liability Insurance

Commercial General Liability Insurance (Occurrence Form) with a minimum combined single limit liability of \$2,000,000 each occurrence for bodily injury and property damage; with a minimum limit of liability of \$2,000,000 each person for personal and advertising injury liability. Such policy shall have an aggregate products/completed operations liability limit of not less than \$2,000,000 and a general aggregate limit of not less than \$2,000,000. The products/completed operations liability coverage shall be maintained in full force and effect for not less than three (3) years following completion of the Project issuance of a certificate of occupancy, whichever is later. The policy shall be endorsed to name Agency, including its respective affiliates, the financing parties and the respective officers, directors, and employees of each as additional insureds. All policies shall be occurrence form policies and not a claims-made policy.

8.1.2 Builder's Risk Insurance

Builder's Risk Insurance upon the Project covering one hundred percent (100%) of the replacement cost of the Project. This policy shall be written on a builder's risk "all risk" or open peril or special causes of loss policy form that shall at least include insurance for physical loss or damage to the construction, temporary buildings, falsework, and construction in transit, and shall insure against at least the following perils: (i) fire; (ii) lightning; (iii) explosion; (iv) windstorm or hail; (v) smoke; (vi) aircraft or vehicles; (vii) riot or civil commotion; (viii) theft; (ix) vandalism and malicious mischief; (x) leakage from fire extinguishing equipment; (xi) sinkhole collapse; (xii) collapse; (xiii) breakage of building glass; (xiv) falling objects; (xv) debris removal; (xvi) demolition occasioned by enforcement of laws and regulations; (xvii) weight of snow, ice, or sleet; (xviii) weight of people or personal property;

8.1.3 Workers' Compensation Insurance

Workers' Compensation Insurance, including occupational illness or disease coverage, in accordance with the laws of the nation, state, territory, or province having jurisdiction over Developer's employees, and Employer's Liability Insurance with minimum limits as required by law. Developer shall not utilize occupational accident or health insurance policies, or the equivalent, in lieu of mandatory Workers' Compensation Insurance or otherwise attempt to opt out of the statutory Workers' Compensation system.

8.1.4 Automobile Liability Insurance

Automobile Liability Insurance covering use of all, non-owned, and hired automobiles with a minimum combined single limit of liability for bodily injury and property damage of \$1,000,000 per occurrence.

8.1.6 Certificates of Insurance

Developer (or Developer's contractor(s), as applicable) shall provide certificates of insurance satisfactory in form to Agency (ACORD form or equivalent) to Agency evidencing that the insurance required above is in force, that, to the extent commercially reasonable, not less than thirty (30) days' written notice will be given to Agency prior to any cancellation or restrictive modification of the policies, and that the waivers of subrogation are in force. Developer (or Developer's contractor(s), as applicable) shall also provide, with its certificate of insurance, executed copies of the additional insured endorsements and dedicated limits endorsements required in this Agreement. At Agency's request, Developer shall provide a certified copy of each insurance policy required under this Agreement.

All policies of insurance required by this Agreement shall be issued by insurance companies with a general policyholder's rating of not less than A and a financial rating of AAA (or equivalent ratings if such are changed) as rated in the most current available "Best's Insurance Reports" and qualified to do business in the State of Idaho.

The foregoing insurance coverage shall be primary and non-contributing with respect to any other insurance or self-insurance that may be maintained by Agency. Developer's General Liability Insurance policy shall contain a Cross-Liability or Severability of Interest clause. The fact that Developer has obtained the insurance required in this Section shall in no manner lessen or affect Developer's other obligations or liabilities set forth in the Agreement.

8.2 Indemnification

Developer shall indemnify and hold Agency, and its officers, agents, and employees harmless from and against all liabilities, obligations, damages, penalties, claims, costs, charges, and expenses, including reasonable architect and attorney fees (collectively referred to in this Section as "claim"), which may be imposed upon or incurred by or asserted against Agency, or its respective officers, agents, and employees by reason of any of the following occurrences:

(a) Subject to the limitations in Section 3.1, any work or thing done in connection with the Project by or at the direction of Developer, including, without limitation, inspection of the Property prior to Closing, any work on the Property prior to Closing, and the construction of any improvements, or any tenant improvements, in each case by or at the direction of Developer; or

(b) Any use, nonuse, possession, occupation, condition, operation, maintenance, or management of the Project or any part thereof by Developer; or

(c) Any negligence on the part of Developer or any of its agents, contractors, servants, employees, subtenants, operators, licensees, or invitees; or

(d) Any accident, injury, or damage to any person or property occurring in, on, or about the Property or any part thereof during construction of the Project by or at the direction of Developer; or

(e) Any failure on the part of Developer to perform or comply with any of the terms, provisions, covenants, and conditions contained in this Agreement to be performed or complied with on its part.

In case any action or proceeding is brought against Agency, or its respective officers, agents, and employees by reason of any such claim for which Developer is required to provide indemnification hereunder, Developer, upon written notice from Agency shall, at Developer's expense, resist or defend such action or proceeding.

Notwithstanding the foregoing, Developer shall have no obligation to indemnify and hold Agency and its respective officers, agents, and employees harmless from and against any matter to the extent it arises from the negligent or wrongful act or omission of Agency, or its respective officers, agents, or employees, from conduct resulting in an award of punitive damages against Agency, or for matters which Agency has agreed to indemnify Developer. The obligations of Developer under this Section are not intended to run with the land or to be binding upon subsequent owners of portions of the Property.

9. CERTIFICATE OF COMPLETION

Promptly after completion of all construction and development to be completed by Developer [of the applicable phase of the Project in accordance with the Phasing Plan], Developer shall submit to Agency a request for a certificate of completion for the such phase ("Certificate of Completion") in a form substantially similar to the draft Certificate of Completion attached hereto as Attachment 8. Agency shall promptly issue the Certificate of Completion for such phase of the Project if (a) City has issued a certificate of occupancy for the shell and core and (b) if Developer is not in default under this Agreement and Agency has not sent notice to Developer of any event which with the passing of time could give rise to a default under this Agreement and Developer has failed to remedy the default. The Parties acknowledge the failure to construct in accordance [with the Phasing Plan and] the Schedule of Performance may, after Agency provided Developer with written notice of default and an opportunity to cure any such default as set forth in Sections 11.1 and 11.2, be considered by Agency as a default by Developer under this Agreement. Agency shall not unreasonably withhold the Certificate of Completion.

The Certificate of Completion shall be executed by Agency and Developer and be in such form as to permit it to be recorded by the Office of the County Recorder of Kootenai County, Idaho.

The Certificate of Completion shall be, and shall so state, conclusive determination of satisfactory completion of the construction of the Project or the applicable phase thereof and conclusive determination of satisfactory completion of the obligations of Developer required by this Agreement with respect to completion of the construction of the applicable phase of the Project.

The Certificate of Completion shall not constitute evidence of compliance with or satisfaction of any obligation of Developer to any holder of a mortgage or any insurer of a mortgage securing money loaned to finance the improvements or any part thereof. Such Certificate of Completion is not notice of completion as referred to under other laws of the State of Idaho.

10. DEVELOPER'S POST-DEVELOPMENT AND CONSTRUCTION OBLIGATIONS

Anything to the contrary in this Agreement notwithstanding, the following provisions set forth in this Section are the only obligations of Developer intended to survive with respect to the Property following the issuance of a Certificate of Completion.

10.1 Taxes, Assessments, Encumbrances, and Liens

Developer recognizes Agency has no authority or involvement in the assessment, tax, or collection process for ad valorem taxes, including real property and personal property taxes. Developer also recognizes the Agency is depending on the ad valorem assessment and timing of collection process as is the Agency's ability to successfully meet long term financing and payment obligations and to continue doing business.

10.1.1 Taxes Generally

Developer shall pay when due all real estate and personal property taxes and assessments assessed and levied on Developer's ownership interest of the Site. This provision or covenant shall run with the land and be binding upon Developer's successors until the Redevelopment Plan is terminated and the Agency has received its final payment of revenue allocation proceeds as defined in the Redevelopment Plan.

10.1.2 Tax Appeals/ Exemptions

Developer shall not appeal any assessed value or request for property tax exemption for the Site. Any appeal of the assessed value or request for any property tax

exemption for any of the parcels within the Site for an assessment, shall require Agency's written authorization, which shall not be unreasonably withheld, conditioned, or delayed. The foregoing shall include but is not limited to an exemption or reduction under Idaho Code § 63-602NN or Idaho Code Section 63-606A or similar property tax exemption, for property taxes assessed for any property tax year up to and including property tax year 20__ [District expiration]. The property tax year runs from January 1 to December 31.

10.1.3 Delinquent or Reduced Taxes

Developer expressly acknowledges and understands that Agency financing is linked to the tax increment revenue actually generated from the Site, and in the event insufficient taxes are received by Agency for any reason, including a reduction of the tax levy rate or assessed values less than assumed by Agency and Developer or in the event of any tax delinquency by any owner of parcels within the Site or by any tenant related to personal property, the actual tax increment received by Agency will be reduced.

10.2 In-Lieu-of Taxes

In the event the Property or any portion thereof or leasehold interest is leased, conveyed, or transferred to an entity exempt or partially exempt from ad valorem taxes and to the extent that ad valorem, privilege, or any other taxes or assessments levied on the Property or any improvements thereon are of a lesser amount than would be levied if the Property or any portion thereof were entirely in private, nonexempt ownership, the then owner of the Property shall be responsible to pay as in-lieu-of taxes the difference between the taxes and assessments actually levied and the taxes and assessments which would be levied if the Property or any portion thereof were privately owned. The then owner or tenant of the exempt or partially exempt property shall pay such difference to Agency within thirty (30) days after the taxes for such year become payable to the taxing agencies and in no event later than the delinquency date of such taxes established by law. Any in-lieu-of taxes received by Agency pursuant to this Section shall be treated by Agency as incremental tax revenues and promptly deposited upon receipt into the appropriate Agency account. The obligation set forth in this Section shall terminate and cease to be of any effect upon the payment of taxes for tax year 20__ [District expiration], the date upon which the current Redevelopment Plan expires.

10.3 Use of the Property During Term of the Redevelopment Plan

Developer covenants and agrees for itself, its successors, its assigns, and every successor in interest that during construction and thereafter, Developer, its successors, and assignees shall devote the Property to the uses specified in the Redevelopment Plan, the Deed, and this Agreement for the periods of time specified in the Deed. The Property shall only be used for the uses specified in the Scope of Development.

10.4 Obligation to Refrain From Discrimination

Developer covenants by and for Developer and any successors in interest that there shall be no unlawful discrimination against or unlawful segregation of any person or group of persons on account of physical disability, race, color, creed, religion, sex, sexual orientation, gender identity/ expression, marital status, ancestry, or national origin in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of Property, nor shall Developer or any person claiming under or through Developer establish or permit any such practice or practices of unlawful discrimination or unlawful segregation with reference to the selection, location, number, use, or occupancy of tenants, lessees, subtenants, sublessees, or vendees of the Property. The foregoing covenants shall run with the land.

10.5 Effect and Duration of Covenants

Except as otherwise provided in this Section, the covenants contained in this Section shall remain in effect until December 31, 20 [District expiration]. The covenants against unlawful discrimination shall remain in effect in perpetuity. The covenants established in this Agreement that expressly run with land shall, without regard to technical classification and designation, be binding for the benefit and in favor of Agency, Agency's successors and assigns, and the City.

10.6 Provisions That Run With the Land

Agency is deemed the beneficiary of the terms and provisions of this Agreement that expressly run with the land for and in its own rights and for the purposes of protecting the interests of the community and other parties, public or private, in whose favor and for whose benefit this Agreement and the covenants running with the land have been provided. The covenants that expressly run with the land shall run in favor of Agency without regard to whether Agency has been, remains, or is an owner of any land or interest therein in the Property, any parcel or subparcel, or in the Project Area. Agency shall have the right, if the covenants that expressly run with the land are breached, to exercise all rights and remedies and to maintain any actions or suits at law or in equity or other proper proceedings to enforce the curing of such breaches to which it or any other beneficiaries of such covenants may be entitled. Notwithstanding the foregoing, if Developer or any subsequent owner of any portion of the Property conveys any portion of the Property, such owner shall, upon the conveyance, forfeit the Completion Deposit, but shall be released and discharged from all of its obligations in connection with the portion of the Property conveyed by it arising under this Agreement after the conveyance but shall remain liable for all obligations in connection with the portion of the Property so conveyed arising under this Agreement prior to the conveyance. The new owner of any such portion of the Property shall be liable for all obligations arising under this Agreement with respect to such portion of the Property after the conveyance.

11. DEFAULTS, REMEDIES, AND TERMINATION

11.1 Defaults—General

Failure or delay by either Party to perform any term or provision of this Agreement after receiving notice and an opportunity to cure as set forth herein shall constitute a default under this Agreement. Upon receipt of such notice, a Party must immediately commence to cure, correct, or remedy such failure or delay and shall complete such cure, correction, or remedy with reasonable diligence. A Party so acting and during any period of curing shall not be in default.

11.2 Written Notice

The Party claiming a failure or delay in performance shall give written notice of default to the Party failing or delaying performance specifying the default complained of by the injured Party. Except as required to protect against further damages, the Party claiming default may not institute proceedings against the Party in default until ten (10) days after giving such notice, said ten (10) days constituting the period to cure any default. Notwithstanding the foregoing sentence, if such default (other than the failure to pay money) cannot be cured within the ten (10) day period and the defaulting party is diligently working to remedy the default, the cure period shall be extended for such time as is reasonably necessary to cure the default.

11.3 No Waiver

Except as otherwise expressly provided in this Agreement, any failure or delay by either Party in asserting any of its rights or remedies as to any default shall not operate as a waiver of any default or of any such rights or remedies or deprive such Party of its right to institute and maintain any actions or proceedings that it may deem necessary to protect, assert, or enforce any such rights or remedies.

11.4 Materiality of Provisions

It is expressly understood and agreed that each of the covenants, promises, stipulations, and agreements of the Parties hereto and under the provisions of this Agreement are an integral and indivisible part of the consideration given by each to the other and that each covenant, promise, stipulation, and agreement of the Parties shall be deemed and construed as material. Subject to Section 11.2 above, it is further understood and agreed that time is of the essence of this Agreement and the Declaration; that failure, refusal, or neglect for any reason whatsoever of either Party hereto to perform any of the covenants, promises, stipulations, or agreements to be performed by the Party pursuant to the terms and provisions of this Agreement shall constitute a material default on the part of the Party failing to perform such covenant, promise, stipulation, or agreement; and that the occurrence of any such default on the part of either Party shall give the other Party the right to terminate or otherwise enforce this Agreement in accordance with the provisions of this Section.

11.5 Legal Actions

11.5.1 Institution of Legal Actions

Subject to the express limitations herein, either Party may institute legal action to cure, correct, or remedy any default or recover damages for any default or to obtain any other remedy consistent with the purpose of this Agreement.

11.5.2 Applicable Law

The laws of the State of Idaho shall govern the interpretation and enforcement of this Agreement.

11.5.3 Acceptance of Service of Process

In the event that any legal action is commenced by Developer against Agency, service of process on Agency shall be made by personal service upon the Executive Director of Agency or in such other manner as may be provided by law. In the event that any legal action is commenced by Agency against Developer, service of process on Developer shall be made by personal service upon Developer or in such other manner as may be provided by law and shall be valid whether made within or without the State of Idaho.

11.5.4 Rights and Remedies

Subject to the express limitation herein, the rights and remedies of the Parties are cumulative, and the exercise by any Party of one or more of such rights or remedies shall not preclude the exercise by it, at the same time or different times, of any other rights or remedies for the same default or any other default by the other Party.

11.5.5 Specific Performance

If Developer or Agency has provided notice and an opportunity to cure pursuant to Section 11.2, the default is not cured, the non-defaulting Party, at the non-defaulting Party's option, may institute an action for specific performance of the terms of this Agreement provided that specific performance shall be limited to those actions which necessitate action on the part of a Party but not for any action where damages (including, without limitation, liquidated damages pursuant to Section 11.5.6 below) are otherwise adequate and available.

11.5.6 Limitation on Agency's Remedies Prior to Developer's Acquisition of the Property

If Developer defaults in its obligation to acquire the Property or to satisfy any conditions relating to the acquisition of the Property, Agency's sole and exclusive

remedy shall be to terminate this Agreement and retain Deposit relating to the Property as liquidated damages. Such amount to be retained by Agency has been agreed by the Parties to be reasonable compensation and the exclusive remedy in those events, because the precise amount of damages in those events would be difficult to determine. Agency has broad discretion to terminate this Agreement for reasons other than what are typically considered a default in most transactions. Accordingly, if this Agreement is terminated pursuant to Sections 3.2, 5.4.1(a), 5.4.1(d), 5.4.1(f), 5.4.1(g), 5.4.2, 11.6.2(c) 11.6.2(d) or 11.6.2(g), Agency shall reimburse Developer, subject to pre-approval as hereafter provided, for Developer Due Diligence Costs incurred by Developer to the effective date of termination. Developer shall provide Agency with a detailed description of Developer Due Diligence Costs and a schedule of values for the same. Agency's obligation to reimburse Developer for the Developer Due Diligence Costs is subject to Agency's review and approval of the Developer Due Diligence Costs, which approval shall not be unreasonably withheld, conditioned or delayed. The schedule of values for the Due Diligence Costs shall be updated as necessary and provided to Agency for review and approval, which approval shall not be unreasonably withheld, conditioned or delayed.

11.6 Remedies and Rights of Termination Prior to Conveyance of the Property to Developer.

11.6.1 Termination by Developer

In the event that prior to Closing for the Property, as applicable:

(a) Agency does not tender title to the Property, as applicable, or possession thereof in the manner and condition and by the dates provided in this Agreement, and any such failure is not cured within ten (10) days after written demand by Developer; or

(b) Agency is unable to perform its obligations as set forth in the Scope of Development; or

(c) Agency is in breach or default with respect to any other obligation of Agency under this Agreement, subject to the cure provisions set forth in Section 11.2 of this Agreement;

then this Agreement may, at the option of Developer, be terminated by written notice thereof to Agency. Upon such termination, neither Agency nor Developer shall have any further rights against or liability to the other under this Agreement. In the event this Agreement is so terminated, all closing documents and funds delivered by Agency to Developer or Escrow Agent shall be returned immediately to Agency and all closing documents and funds delivered by Developer to Agency or Escrow Agent shall be returned immediately to Developer; provided, however, that Agency shall retain the Deposit so long as Agency has fully performed the obligations required to be performed by Agency prior to that time.

11.6.2 Termination by Agency

In the event that prior to the conveyance of the Property, as applicable, to Developer:

(a) Developer transfers or assigns or attempts to transfer or assign this Agreement or any rights herein or in the Property or the Project or improvements thereon in violation of this Agreement; or

(b) there is any significant change in the legal structure or control of Developer contrary to the provisions of Section 2.7 hereof; or

(c) after and despite diligent effort and prior to the dates established therefore in the Schedule of Performance, subject to the cure provisions set forth in of Section 11.2 of this Agreement, Developer is unable to obtain and submit the evidence of financing reasonably acceptable to Agency or before Agency's approval of Developer's evidence of financing Developer notifies Agency in writing that, in Developer's judgment, it is not economically or financially feasible for it to perform or finance its obligations under this Agreement in the time established therefore in the Schedule of Performance; or

(d) Developer fails to submit to Agency Final Construction Documents subject to the cure provisions set forth in Section 11 of this Agreement; or

(e) Subject to the cure provisions set forth in of Section 11.2 of this Agreement, Developer does not pay the Purchase Price and take title to the Property under tender of conveyance by Agency pursuant to this Agreement; or

(f) Developer is in breach or default with respect to any other obligation of Developer under this Agreement, subject to the cure provisions set forth in of Section 11.2 of this Agreement; or

(g) Agency is unable to perform its obligations as set forth in the Scope of Development;

then this Agreement may, at the option of Agency, be terminated by Agency by written notice thereof to Developer. Upon such termination, neither Agency nor Developer shall have any further rights against or liability to the other under this Agreement. In the event this Agreement is so terminated, all closing documents and funds delivered by Agency to Developer or Escrow Agent shall be returned immediately to Agency and all closing documents and funds delivered by Developer to Agency or Escrow Agent shall be returned immediately to Developer; provided, however, that Agency shall retain any Deposit so long as Agency has fully performed the obligations required to be performed by Agency prior to that time.

11.6.3 No Release from Liability

No termination under this Agreement shall release either party then in default from liability for such default. In the event this Agreement is terminated, all closing documents and funds delivered by Agency to Developer or Escrow Agent shall be returned immediately to Agency and all closing documents and funds delivered by Developer to Agency or Escrow Agent shall be returned immediately to Developer; provided, however, that Agency shall retain the Deposit so long as Agency has fully performed the obligations required to be performed by Agency prior to that time.

11.7 Reacquisition by Agency

The Agency shall have the right, at Agency's option, to repurchase all portions of the Property currently owned by the Developer and, and Developer will reconvey all portions of the Property currently owned by the Developer to Agency if after Closing to the Site to Developer but prior to the issuance of the Certificate of Completion for the Project:

(a) Developer shall abandon or substantially suspend construction of the [applicable phase of the] Project [in accordance with the Phasing Plan] for a period of six (6) months after written notice of such abandonment or suspension from Agency; or

(b) Agency and Developer shall have received a notice of default pursuant to § 45-1506 of the Idaho Code with respect to the Site and Developer shall not have cured the default specified in such notice within ninety (90) days after Agency and Developer shall have received such notice.

Immediately after the closing under the escrow described in Section 5 hereof, Developer shall deposit with the Escrow Agent a deed to the Site, which shall release individual parcels as the Project on such parcels are completed and transferred to individual owners, in the form attached hereto as Attachment 10, with instructions for the Escrow Agent to deliver and record such deed or deeds upon its receipt from Agency of a written certificate signed by the Chairman and the Executive Director of Agency certifying under penalties of perjury that: (1) one of the conditions specified in the immediately preceding paragraph has occurred, (2) Agency is entitled to repurchase and has determined to repurchase the Site pursuant to this Section, and (3) Agency has notified Developer of such determination in accordance with the next sentence. Agency shall give Developer written notice of Agency's election to repurchase the Site pursuant to this Section at least thirty (30) days prior to the date on which it delivers the written notice to the Escrow Agent pursuant to the preceding sentence. The Agency shall pay ninety-five percent (95%) of the Purchase Price outlined in Section 5.1, less expenses incurred by the Agency in connection with the reacquisition and a prorated portion of land value equal to all parcels prior to acquisition, to the Developer in exchange for the reacquisition, and this Section constitutes the escrow instructions of the Escrow Agent. The right of Agency to invoke reconveyance of the Site in accordance with this Section shall be absolute as to the duty of the Escrow Agent to deliver the deeds and convey title to the Site to Agency but shall be without prejudice to any rights or remedies

that Developer may otherwise have following such reconveyance if the decision of Agency shall violate or breach any of Agency's agreements with Developer under this Agreement, including Developer's right to payment as set forth herein.

Such right of repurchase and reconveyance, to the extent provided in this Section, shall be subordinate and subject to and be limited by and shall not defeat, render invalid, or limit:

- (1) any mortgage, deed of trust, or other security instrument or sale and leaseback or other conveyance for financing permitted by this Agreement; or
- (2) any rights or interests provided in this Agreement for the protection of the holder of such mortgages, deeds of trust, or other security instruments, the lessor under a sale and leaseback, or the grantee under such other conveyance for financing.

11.8 Option to Repurchase, Reenter, and Repossess

Agency shall have the additional right, at Agency's option, to repurchase, reenter, and take possession of all portions of the Property currently owned by the Developer with all improvements thereon if after Closing to the Property and prior to the issuance of the final Certificate of Completion of the Project therefore Developer shall:

- (1) fail to proceed with the construction of the improvements in the applicable phase of the Project [in accordance with the Phasing Plan] for a period of sixty (60) days after written notice thereof from Agency; or
- (2) abandon or substantially suspend construction of the improvements in the applicable phase of the Project [in accordance with the Phasing Plan] for a period of sixty (60) days after written notice of such abandonment or suspension from Agency; or
- (3) transfer, except transfer of individual parcels upon completion of improvements thereon, or suffer any involuntary transfer of the Property or any part thereof in violation of this Agreement.

Such right to repurchase, reenter, and repossess, to the extent provided in this Agreement, shall be subordinate and subject to and be limited by and shall not defeat, render invalid, or limit:

- (1) any mortgage, deed of trust, or other security instrument or sale and leaseback or other conveyance for financing permitted by this Agreement; or
- (2) any rights or interests provided in this Agreement for the protection of the holder of such mortgages, deeds of trust, or other security instruments,

the lessor under a sale and leaseback, or the grantee under such other conveyance for financing.

To exercise its rights to repurchase, reenter, and take possession with respect to the Site, Agency shall pay to Developer in cash an amount equal to ninety-five percent (95%) of the Purchase Price outlined in Section 5.1, less expenses incurred by the Agency in connection with the repurchase, and a prorated portion of the land value equal to all parcels transferred prior to repurchase.

11.9 Right of Reverter

Agency shall have the additional right, at its option, to reenter and take possession of all portions of the Property currently owned by the Developer with all improvements thereon and to revest in Agency the estate theretofore conveyed to Developer if after Closing to the Site and prior to the issuance of the final Certificate of Completion of the Project therefore Developer shall:

- (1) fail to proceed with the construction of the improvements in the applicable phase of the Project [in accordance with the Phasing Plan] for a period of sixty (60) days after written notice thereof from Agency; or
- (2) abandon or substantially suspend construction of the improvements in the applicable phase of the Project [in accordance with the Phasing Plan] for a period of sixty (60) days after written notice of such abandonment or suspension from Agency; or
- (3) transfer, except transfer of individual parcels upon completion of improvements thereon, or suffer any involuntary transfer of the Site or any part thereof in violation of this Agreement.

Such right to reenter, repossess, and revest to the extent provided in this Agreement shall be subordinate and subject to and be limited by and shall not defeat, render invalid, or limit:

- (1) any mortgage, deed of trust, or other security instrument or sale and leaseback or other conveyance for financing permitted by this Agreement; or
- (2) any rights to interest provided in this Agreement for the protection of the holder of such mortgages, deeds of trust, or other security instruments, the lessor under a sale and leaseback, or the grantee under such other conveyance for financing.

The Deed attached hereto in Attachment 7 shall contain appropriate reference and provision to give effect to Agency's right, as set forth in this Section, under specified circumstances prior to the issuance of the Certificate of Completion, to reenter and take possession of all portions of the Property currently owned by the Developer with all

improvements thereon and to terminate and revest in Agency the estate conveyed to Developer.

Upon the revesting in Agency of title to the Site or any portion thereof as provided in this Section, Agency shall, pursuant to its responsibilities under state law, use its best efforts to resell the Site or portion thereof as soon and in such manner as Agency shall find feasible and consistent with the objectives of such law and of the Redevelopment Plan to a qualified and responsible party or Parties (as determined by Agency), that will assume the obligation of making or completing the improvements or such other improvements in their stead as shall be satisfactory to Agency and in accordance with the uses specified for the Site or part thereof in the Redevelopment Plan. Upon such resale of the Site, the proceeds thereof shall be applied:

- (1) first, to reimburse Agency on its own behalf for all costs and expenses incurred by Agency, including, but not limited to, salaries to personnel in connection with the recapture, management, and resale of the Site or part thereof (but less any income derived by Agency from the Site or part thereof in connection with such management); all taxes, assessments, and water and sewer charges with respect to the Site or portion thereof (or, in the event the Site is exempt from taxation or assessment or such charges during the period of ownership by Agency, then such taxes, assessments, or charges, as determined by the county assessing official as would have been payable if the Site were not so exempt); any payments made or necessary to be made to discharge or prevent from attaching or being made any subsequent encumbrances or liens due to obligations, defaults, or acts of Developer; any expenditures made or obligations incurred with respect to the making or completion of the improvements or any part thereof on the Site or part thereof; and any amounts otherwise owed to Agency by Developer; and
- (2) second, to reimburse Developer up to the amount equal to the sum of:
 - (1) ninety-five percent (95%) of the Purchase Price outlined in Section 5.1, less expenses incurred by the Agency in connection with the reverter plus
 - (2) the costs incurred by Developer for the development of the Site and for the improvements existing on the Site at the time of the reentry and repossession; less
 - (3) any gains or income withdrawn or made by Developer from the Site or the improvements thereon.

Any balance remaining after such reimbursements shall be retained by Agency as its property.

To the extent that the rights established in this Section involve a forfeiture, it must be strictly interpreted against Agency, the Party for whose benefit it is created. The rights established in this Section are to be interpreted in light of the fact that Agency will convey the Site to Developer for development and not for speculation in undeveloped land.

12. GENERAL PROVISIONS

12.1 No Assignment of Rights

Prior to the issuance by Agency of a Certificate of Completion for the applicable phase of the Project [in accordance with the Phasing Plan] pursuant to Section 9, Developer shall not, except as expressly permitted by this Agreement, sell, transfer, convey, assign, or lease the whole or any part of such Property or the buildings or improvements thereon without the prior written approval of Agency, which approval shall not be unreasonably withheld. [Add specific approval for known transfer to builders, if any] Conveyance to a Developer Affiliate shall be permitted and shall not be subject to further review or approval by Agency. This prohibition shall not apply subsequent to the issuance of the Certificate of Completion, which shall signify Agency's acknowledgment that the work required on the Property has been completed. This prohibition shall not be deemed to prevent the granting of easements or permits to facilitate the Project or to prohibit or restrict the leasing of any part or parts of a building or structure when said improvements are completed or to prohibit or restrict the preleasing or preselling of any part or parts of the structure so long as the lessee or buyer shall obtain no rights under this Agreement and that any right to occupy or acquire any part of the structure prior to Developer completing all the necessary improvements shall be terminable by Agency in the event Developer fails to complete all the necessary improvements. In the absence of specific written agreement by Agency, no such transfer, assignment, or approval by Agency shall be deemed to relieve Developer from any obligations under this Agreement until completion of the Project, or applicable phase thereof, as evidenced by the issuance of a Certificate of Completion. This Section shall not prohibit any financing of the Project approved by Agency pursuant to Section 4.

12.2 Notices, Demands, and Communications Between the Parties

Formal notices, demands, and communications between Agency and Developer shall be sufficiently given upon dispatch if dispatched by registered or certified mail, postage prepaid, return receipt requested, to the principal offices of Agency and Developer as set forth in Section 2.4 hereof. Such written notices, demands, and communications may be sent in the same manner to such other addresses as either Party may from time to time designate by mail.

12.3 Conflicts of Interest

No member, official, or employee of Agency shall have any personal interest, direct or indirect, in this Agreement, nor shall any such member, official, or employee participate in any decision relating to this Agreement which affects his or her personal interests or the interests of any corporation, partnership, or association in which he or she is directly or indirectly involved.

12.4 Warranty Against Payment of Consideration for Agreement

Developer warrants that it has not paid or given, and will not pay or give, any third person any money or other consideration for obtaining this Agreement other than normal costs of conducting business and costs of professional services such as for architects, engineers, and attorneys.

12.5 Nonliability of Agency Officials and Employees

No member, official, or employee of Agency shall be personally liable to Developer in the event of any default or breach by Agency or for any amount which may become due to Developer or on any obligations under the terms of this Agreement.

12.6 Forced Delay; Extension of Times of Performance

In addition to the specific provisions of this Agreement, performance by any Party hereunder shall not be deemed to be in default where delays or defaults are due to war; insurrection; strikes; lock-outs; riots; floods; earthquakes; fires; casualties; acts of God; acts of the public enemy; epidemics; quarantine restrictions; freight embargoes; lack of transportation; governmental restrictions or priority (other than acts or failures to act of Agency shall not excuse performance by Agency); litigation; unusually severe weather; inability to secure necessary labor, material, or tools; delay of any contractor, subcontractor, or suppliers; acts of another Party; proceedings before or acts or failures to act of any public or governmental agency or entity, including approvals by any historic preservation agency (other than acts or failures to act of Agency shall not excuse performance by Agency); approvals by building officials for issuance of building permits; and temporary cessation of work for archeological digs, environmental analysis, or removal of hazardous or toxic substances; or any causes beyond the control or without the fault of the Party claiming an extension of time to perform. An extension of time for any such cause shall only be for the period of the forced delay, which period shall commence to run from the time of the commencement of the cause. If, however, notice by the Party claiming such extension is sent to the other Parties more than thirty (30) days after the commencement of the cause, the period shall commence to run only thirty (30) days prior to the giving of such notice. Times of performance under this Agreement may also be extended in writing by the Parties.

12.7 Reports, Studies and Test

If Developer does not proceed with the purchase of the Property and development of the Project, Agency may retain possession of any reports, studies and test results prepared by Developer's consultants, including any soils or engineering tests concerning the Property, previously submitted by Developer. Building and improvement designs, plans and specifications are not intended to be covered by the preceding sentence. However, Developer agrees not to prevent Agency from obtaining building and improvement designs, plans, and specifications from Developer's design

professionals if Agency and such design professionals enter into a separate arrangement for Agency to obtain such designs, plans, and specifications. Agency or any other person or entity designated by Agency shall be free to use such reports, studies, and test results for any reason whatsoever without cost or liability thereof to Developer or any other person, except to the extent Agency may have to reach agreement with Developer's consultants. Developer does not make and hereby expressly disclaims any representation or warranty as to the accuracy of any such information or Agency's right to rely thereon.

12.8 Approvals by the Parties

Wherever this Agreement requires Agency and/or Developer to approve, or permits a Party to submit to the other Party for approval, any contract, document, plan specification, drawing, or other matter, such approval shall not be unreasonably withheld, conditioned or delayed.

12.9 Attorney Fees

In the event of any action or proceeding at law or in equity between Developer and Agency to enforce any provision of this Agreement or to protect or establish any right or remedy of either Party hereunder, the unsuccessful Party to such litigation shall pay to the prevailing Party all costs and expenses, including reasonable attorney fees incurred therein by such prevailing Party (including such costs and fees incurred on appeal), and if such prevailing Party shall recover judgment in any such action or proceeding, such costs, expenses, and attorney fees shall be included in and as a part of such judgment. Should either Party, without fault of such Party (the "No Fault Party"), be made a party to any litigation instituted by the other Party or by any third party against such other Party, such other Party covenants to indemnify, save and hold harmless the No Fault Party from any judgment rendered against the No Fault Party, and all costs and expenses, including reasonable attorney's fees, incurred by the No Fault Party in or in connection with such litigation if the No Fault Party was a named party in such litigation.

12.10 Promotion

Developer agrees Agency may promote the Project and Agency's involvement with the Project. Such promotion includes reasonable signage at the Site notifying the public of Agency's involvement with the Project.

13. SPECIAL PROVISIONS

13.1 Amendment of Redevelopment Plan

Pursuant to the provisions of the Redevelopment Plan or modification or amendment therefore, Agency agrees that no amendment that changes the uses or development permitted on the Property or changes the restrictions or controls that apply

to the Property or otherwise affects the Property shall be made or become effective without the prior written consent of Developer. Amendments to the Redevelopment Plan applying to other property in the Project Area shall not require the consent of Developer.

13.2 Submission of Documents for Approval

Whenever this Agreement requires either Party to submit plans, drawings, or other documents to the other Party for approval, which shall be deemed approved if not acted on by the Party within a specified time, said plans, drawings, or other documents shall be accompanied by a letter stating that they are being submitted and shall be deemed approved unless rejected by the other Party within the stated time. If there is no time specified herein for such Party's action, the other Party may submit a letter requiring approval or rejection of documents within fifteen (15) days after submission or such documents shall be deemed approved.

13.3 Computation of Time

In computing any period of time prescribed or allowed under this Agreement, the day of the act, event, or default from which the designated period of time begins to run shall not be included. The last calendar day of the period so computed shall be included, unless it is a Saturday, Sunday, or legal holiday, in which event the period runs until the end of the next day which is not a Saturday, Sunday, or legal holiday. As used herein, "legal holiday" means any holiday as defined by Idaho Code § 73-108.

13.4 No Third-Party Beneficiary

The provisions of this Agreement are for the exclusive benefit of Agency and Developer, and their successors and assigns, and not for the benefit of any third person; nor shall this Agreement be deemed to have conferred any rights, express or implied, upon any third person except for provisions expressly for the benefit of a mortgagee or lender of Developer or its successors and assigns.

13.5 Dispute Resolution

In the event that a dispute arises between the Parties concerning (i) the meaning or application of the terms of, or (ii) an asserted breach of this Agreement, the Parties shall meet and confer in a good faith effort to resolve their dispute. The first such meeting shall occur within ten (10) days of the first written notice from either Party evidencing the existence of the dispute. The Chair of Agency and the manager of Developer shall both be included among the individuals representing the Parties at the first such meeting. If the Parties shall have failed to resolve the dispute within fifteen (15) days after delivery of such notice, the Parties agree to first consider to settle the dispute in an amicable manner by mediation or other process of structured negotiation under the auspices of a nationally or regionally recognized organization providing such services in the Northwestern United States or otherwise, as the Parties may mutually agree before resorting to litigation or to arbitration. The costs of such mediation or other

process of structured negotiation shall be equally split between the Parties. Should the Parties be unable to resolve the dispute to their mutual satisfaction within ten (10) days after such completion of mediation or other process of structured negotiation, or if the Parties cannot mutually agree to attempt to settle any dispute by mediation or other process of structured negotiation, each Party shall have the right to pursue any rights or remedies it may have at law or in equity.

13.6 Good Faith and Cooperation

It is agreed by Agency and Developer to act in good faith in compliance with all of the terms, covenants, and conditions of this Agreement and shall deal fairly with each other.

13.7 Entire Agreement, Waivers, and Amendments

This Agreement integrates all of the terms and conditions mentioned herein or incidental hereto and supersedes all negotiations or previous agreements between the Parties with respect to all or any part of the subject matter hereof including, without limitation, the Agreement to Negotiate Exclusively. All waivers of the provisions of this Agreement must be in writing and signed by the appropriate authorities of Agency and Developer, and all amendments hereto must be in writing and signed by the appropriate authorities of Agency and Developer.

[signatures on following page]

_____, 2021

Agency:

COEUR D'ALENE URBAN RENEWAL
AGENCY dba ignite cda

By _____
_____, Chair

_____, 2021

DEVELOPER:

By: _____

STATE OF IDAHO)
) ss.
County of Kootenai)

On this _____ day of _____, 2021, before me, _____, the undersigned notary public in and for said county and state, personally appeared _____, known or identified to me to be the _____ of the Coeur d'Alene Urban Renewal Agency dba ignite cda, the public body, corporate and politic, that executed the within instrument on behalf of said Agency, and acknowledged to me that such Agency executed the same for the purposes herein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

Notary Public for Idaho
Commission Expires _____

STATE OF IDAHO)
) ss.
County of _____)

On this _____ day of _____, 2021, before me, _____, a Notary Public in and for said State, personally appeared _____, known or identified to me to be the _____ of _____, a _____, and the _____ who subscribed said company name to the foregoing instrument, and acknowledged to me that he executed the within instrument on behalf of said corporation, and that such corporation executed the same in said company name.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

Notary Public for Idaho
My commission expires: _____

Attachment 3 Scope of Development

Attachment 4 Schedule of Performance

Attachment 5 [Intentionally Omitted]

Attachment 6 Basic Concept Drawings

Recording Requested By and
When Recorded Return to:

SPACE ABOVE THIS LINE FOR
RECORDER'S USE ONLY

SPECIAL WARRANTY DEED

THE COEUR D'ALENE URBAN RENEWAL AGENCY dba ignite cda ("Grantor"), for valuable consideration paid by _____, an Idaho _____ ("Grantee"), which has a current address of _____, does hereby sell, transfer and convey unto Grantee, all of that certain real property located in Kootenai County, Idaho, and described on Exhibit "A" attached hereto and incorporated herein ("Property").

Together with all and singular the tenements, hereditaments, and appurtenances thereunto belonging or in anywise appertaining, the reversion and reversions, remainder and remainders, rents, issues and profits thereof and all estate, right, title and interest in and to the Property.

To have and to hold, all and singular the Property together with its appurtenances unto Grantee and Grantee's successors and assigns forever.

Grantor makes no covenants or warranties with respect to title, express or implied, other than that previous to the date of this instrument, Grantor has not conveyed the same estate to any person other than Grantee and that such estate is at the time of the execution of this instrument free from encumbrances done, made or suffered by the Grantor, or any person claiming under Grantor, subject to any and all easements, restrictions, agreements and encumbrances of record or appearing on the land as of the date of this instrument.

1. The Property is conveyed subject to the Disposition and Development Agreement entered into by and between the Grantor and Grantee and dated _____, 20____, as implemented by any subsequent implementation agreements between Grantor and Grantee (herein collectively referred to as the "DDA") and the Redevelopment Plan (as defined in the DDA); the full text of the Redevelopment Plan, the DDA and such implementation agreements are available for review at the offices of the Grantor and the city of Coeur d'Alene.

2. The Grantee hereby covenants and agrees, for itself and its successors and assigns, that during construction and thereafter, the Grantee shall develop, use,

operate, and maintain the Property for the uses specified in the Redevelopment Plan and (unless expressly waived in writing by the Grantor) for the specific use as follows:

The Property shall be used only for a _____ constructed in accordance with the Scope of Development (Attachment 3 to the DDA) until December 31, 20__[expiration of District]. The period of time from the date of issuance by the Grantor of a Certificate of Completion, pursuant to the DDA, until December 31, 20__[expiration of District], shall be referred to hereinafter as the “Use Covenant Period.”

3. The Property is conveyed subject to the Master Declaration of Covenants, Conditions, Restrictions and Easements for Atlas Waterfront, made by Grantor and dated recorded against the Property on February 12, 2021 in official records for Kootenai County, including without limitation to any reversion rights of Grantor contained therein.

4. Prior to commencement of construction of the final phase of improvements, if improvements are being phased, as required in the DDA and notwithstanding any provisions in the DDA to the contrary, the Grantee shall not enter into, create, or suffer any transfer of title, assignment, lien, or other encumbrances without the written consent of the Grantor. On or following commencement of construction of the final phase of improvements, if improvements are being phased, of the improvements as required by the DDA, the following provisions of this paragraph shall apply:

Prior to the recordation by the Grantor of a Certificate of Completion of construction as provided in the DDA, the Grantee shall not, except as permitted by the DDA, assign or attempt to assign or lease the whole or any part of the Property (or any portion thereof) or of the improvements to be constructed thereon without the prior written approval of the Grantor, which approval shall not be unreasonably withheld. This prohibition shall not be applicable to a transfer or transfers to any entity or entities owned or controlled by the Grantee as permitted by the DDA. This prohibition shall not apply to any of such Property (or any portion thereof) subsequent to the recordation of the Certificate of Completion or to a sale of any such Property (or any portion thereof) at foreclosure (or to a conveyance thereof in lieu of a foreclosure) pursuant to a foreclosure thereof by a lender approved by the Grantor under the DDA. This prohibition shall not be deemed to prevent the granting of easements or permits to facilitate the development of such Property or to prohibit or restrict the leasing of any part or parts of a building or structure when said improvements are completed or to prohibit or restrict the preleasing or preselling of any part or parts of the structure so long as the lessee or buyer shall obtain no rights under the DDA and that any right to occupy or acquire any part of the structure prior to Grantee completing all the necessary improvements shall be terminable by Grantee in the event Grantor fails to complete all the necessary improvements.

6. Subject to the provisions of Section 11.9 of the DDA, the Grantor shall have the right, at its option, to reenter and take possession of the Property (or any portion thereof) hereby conveyed, or such portion thereof, with all improvements thereon, and to revest in the Grantor the estate conveyed to the Grantee (or its successor in interest), if after conveyance of title to the Property and prior to the issuance of the final Certificate of Completion of the Project, the Grantee or successor in interest shall:
- a. fail to proceed with the construction of the improvements in the Project [in accordance with the Phasing Plan] as required by the DDA for a period of sixty (60) days after written notice thereof from Grantor; or
 - b. abandon or substantially suspend construction of the improvements in the Project [in accordance with the Phasing Plan] for a period of sixty (60) days after written notice of such abandonment or suspension from Grantor; or
 - c. transfer, except transfer of individual residential parcels upon completion of improvements thereon, or suffer any involuntary transfer of the Site (as defined in the DDA) or any part thereof in violation of the DDA.
- Such right to reenter, repossess, and revest to the extent provided in the DDA shall be subordinate and subject to and be limited by and shall not defeat, render invalid, or limit:
- a. any mortgage, deed of trust, or other security instrument or sale and leaseback or other conveyance for financing permitted by the DDA; or
 - b. any rights to interest provided in the DDA for the protection of the holder of such mortgages, deeds of trust, or other security instruments, the lessor under a sale and leaseback, or the grantee under such other conveyance for financing.
- Upon the revesting in Grantor of title to the Site or any portion thereof as provided in Section 11.9 of the DDA, Grantor shall, pursuant to its responsibilities under state law, use its best efforts to resell the Site or portion thereof as soon and in such manner as Grantor shall find feasible and consistent with the objectives of such law and of the Redevelopment Plan to a qualified and responsible party or Parties (as determined by Grantor), that will assume the obligation of making or completing the improvements or such other improvements in their stead as shall be satisfactory to Grantor and in accordance with the uses specified for the Site or part thereof in the Redevelopment Plan. Upon such resale of the Site, the proceeds thereof shall be applied:
- a. first, to reimburse Grantor on its own behalf for all costs and expenses incurred by Grantor, including, but not limited to, salaries to personnel in connection with the recapture, management, and resale of the Site or part thereof (but less any income derived by Grantor from the Site or part thereof in connection with such management); all taxes, assessments, and water and sewer charges with respect to the Site or portion thereof (or, in the event the Site is exempt from taxation or assessment or such charges during the period of ownership by Grantor, then such taxes, assessments, or charges, as determined by the county assessing official as would have been payable if the Site were not so exempt); any payments made or necessary to be made to discharge or prevent from attaching or being made any subsequent encumbrances or liens due to obligations, defaults, or acts of Grantee; any expenditures made or

obligations incurred with respect to the making or completion of the improvements or any part thereof on the Site or part thereof; and any amounts otherwise owed to Grantor by Grantee; and

b. second, to reimburse Grantee up to the amount equal to the sum of: (1) ninety-five percent (95%) of the Purchase Price outlined in Section 5.1, less expenses incurred by the Grantor in connection with the reverter plus (2) the costs incurred by Grantee for the development of the Site and for the improvements existing on the Site at the time of the reentry and repossession; less (3) any gains or income withdrawn or made by Grantee from the Site or the improvements thereon.

Any balance remaining after such reimbursements shall be retained by Grantor as its property.

6. Subject to Section 11.8 of the DDA, Grantor shall have the additional right, at Grantor's option, to repurchase, reenter, and take possession of all portions of the Property currently owned by the Grantee with all improvements thereon if after Closing to the Property and prior to the issuance of the final Certificate of Completion of the Project therefore Grantee shall:

a. fail to proceed with the construction of the improvements the Project [in accordance with the Phasing Plan] as required by the DDA for a period of sixty (60) days after written notice thereof from Grantor; or

b. abandon or substantially suspend construction of the improvements the Project [in accordance with the Phasing Plan] for a period of sixty (60) days after written notice of such abandonment or suspension from Grantor; or

c. transfer, except transfer of individual residential parcels upon completion of improvements thereon, or suffer any involuntary transfer of the Property or any part thereof in violation of the DDA.

Such right to repurchase, reenter, and repossess, to the extent provided in the DDA, shall be subordinate and subject to and be limited by and shall not defeat, render invalid, or limit:

a. any mortgage, deed of trust, or other security instrument or sale and leaseback or other conveyance for financing permitted by the DDA; or

b. any rights or interests provided in the DDA for the protection of the holder of such mortgages, deeds of trust, or other security instruments, the lessor under a sale and leaseback, or the grantee under such other conveyance for financing. To exercise its rights to repurchase, reenter, and take possession with respect to the Site, Grantor shall pay to Grantee in cash an amount equal to ninety-five percent (95%) of the Purchase Price outlined in Section 5.1 of the DDA, less expenses incurred by the Grantor in connection with the repurchase, and a prorated portion of the land value equal to all residential parcels transferred prior to repurchase.

7. The Grantee covenants by and for itself, its heirs, executors, administrators, assigns, and all persons claiming under or through them that there shall be no unlawful discrimination against or unlawful segregation of any person or group of persons on account of race, color, creed, religion, sex, marital status, age, handicap, national origin, or ancestry in the sale, lease, sublease, transfer, use, occupancy,

tenure, or enjoyment of the Property; nor shall the Grantee itself, or any person claiming under or through it establish or permit any such practice or practices of unlawful discrimination or unlawful segregation with reference to the selection, location, number, use, or occupancy of tenants, lessees, subtenants, sublessees or vendees in the Property.

8. No violation or breach of the covenants, conditions restrictions, provisions, or limitations contained in this Deed shall defeat or render invalid or in any way impair the lien or charge of any mortgage, deed of trust, or other financing or security instrument permitted by the DDA; provided, however, any successor of the Grantee to the Property shall be bound by such remaining covenants, conditions, restrictions, limitations, and provisions, whether such successor's title was acquired by foreclosure, deed in lieu of foreclosure, trustee's sale, or otherwise.

9. The covenants contained in paragraph 2 of this Deed shall remain in effect until December 31, _____[District termination]. The covenants contained in paragraph 3 of this Deed shall remain in effect until recordation by the Grantor of a Certificate of Completion. The covenants contained in paragraph 4 of this Deed shall be for the benefit of the Grantor, its successors and assigns, and any successor in interest to the Property, or any part thereof, and such covenants shall run in favor of the Grantor and such aforementioned parties for the entire period during which such covenants shall be in force and effect, without regard to whether the Grantor is or remains an owner of any land or interest therein to which such covenants relate. The Grantor and such aforementioned parties, in the event of any breach of any such covenants, shall have the right to exercise all of the rights and remedies and to maintain any actions at law or suits in equity or other proper proceedings to enforce the curing of such breach. The covenants contained in this Deed shall be for the benefit of and shall be enforceable only by the Grantor, its successors, and such aforementioned parties. Notwithstanding the foregoing, if Grantee or any subsequent owner of any portion of the Property conveys any portion of the Property, Grantee and such owner shall, upon the conveyance, be released and discharged from all of its obligations in connection with the portion of the Property conveyed by it arising under this Deed after the conveyance but shall remain liable for all obligations in connection with the portion of the Property so conveyed arising under this Deed prior to the conveyance. The new owner of any such portion of the Property shall be liable for all obligations arising under this Deed and under the Declaration and with respect to such portion of the Property after the conveyance.

10. In the event of any express conflict between this Deed and the DDA, the provisions of this Deed shall control.

11. Any amendments to the Redevelopment Plan which change the uses or development permitted on the Property as proposed in the DDA or otherwise change the restrictions or controls that apply to the Property or otherwise affect the Grantee's obligations or rights with respect to the Property shall require the written consent of the

Grantee. Amendments to the Redevelopment Plan applying to other property in the Project Area shall not require the consent of the Grantee.

IN WITNESS WHEREOF, the Grantor and Grantee have caused this instrument to be executed on their behalf by their respective officers thereunto duly authorized.

GRANTOR:

URBAN RENEWAL Agency

By _____
Executive Director

Date: _____

The provisions of this Deed are hereby approved and accepted:

GRANTEE:

By: _____

_____, _____

Date: _____

ACKNOWLEDGEMENTS

STATE OF IDAHO)
) ss.
County of Kootenai)

On this _____ day of _____, 20____, before me, the undersigned, a Notary Public in and for said State, personally appeared _____ known or identified to me to be the _____ of the Coeur d’Alene Urban Renewal Agency, the entity that executed the within instrument or the person who executed the instrument on behalf of said entity, and acknowledged to me that such entity executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

Notary Public for Idaho
My commission expires:_____

STATE OF IDAHO)
) ss.
County of _____)

On this _____ day of _____, 20____, before me, _____, a Notary Public in and for said State, personally appeared _____, known or identified to me to be the _____ of _____, a _____, and the _____ who subscribed said company name to the foregoing instrument, and acknowledged to me that he executed the within instrument on behalf of said corporation, and that such corporation executed the same in said company name.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

Notary Public for Idaho
My commission expires:_____

PROPERTY DESCRIPTION EXHIBIT "A"
[To be attached]

Attachment 8 Form of Certificate of Completion

THIS CERTIFICATE OF COMPLETION ("Certificate") is made as of the ____ day of _____, 20__, by the COEUR D'ALENE URBAN RENEWAL AGENCY dba ignite cda ("Agency").

Agency is an independent public body corporate and politic and exercises governmental functions and powers and is organized and exists under the Idaho Urban Renewal Law of the State of Idaho, Chapter 20, Title 50, Idaho Code) and has a street address of 105 N. 1st Street, Suite 100, Coeur d'Alene, Idaho 83814.

Agency and _____ ("Developer") entered into that certain Disposition and Development Agreement ("DDA"), which concerns the disposition and development of the real property described in Exhibit A (the "Property").

Agency hereby declares that Developer has met its obligations under the DDA to develop [Phase ____] the Property.

Agency transferred its interest in the Property to Developer via a Special Warranty Deed, Kootenai County Recorder's Office Instrument No. ____.

This Certificate is issued in accordance with Section ____ of the DDA and only for said purposes set forth in Section ____ of the DDA. This Certificate shall not be deemed a release or waiver of the right to enforce the covenants in the Warranty Deed that survive the completion of construction and run with the land, including but not limited to paragraphs 1, 2, 3, 4, 5, and 6.

URBAN RENEWAL Agency

By _____
Executive Director

Date: _____

ACKNOWLEDGEMENTS

STATE OF IDAHO)
) ss.
County of Kootenai)

On this _____ day of _____, 20____, before me, the undersigned, a Notary Public in and for said State, personally appeared _____ known or identified to me to be the _____ of the Coeur d’Alene Urban Renewal Agency, the entity that executed the within instrument or the person who executed the instrument on behalf of said entity, and acknowledged to me that such entity executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

Notary Public for Idaho
My commission expires:_____

Attachment 10 Form of Reacquisition Deed

