

DEVELOPMENT AGREEMENT

This Development Agreement (the “Agreement”) is entered into between the City of Davenport (“City”) and Seefried Industrial Properties, Inc. (“Developer”).

RECITALS

A. Developer has entered into a Purchase and Sale Contract to acquire 158 acres of property located west of Division Street and east of Research Parkway to be developed as a distribution center.

B. City wishes to enter into an agreement to maximize the value of the new development by providing necessary infrastructure improvements and support the creation of more than 1,000 permanent jobs for the benefit of the citizens of the City of Davenport.

NOW, THEREFORE, in consideration of the mutual covenants set forth herein, the receipt and adequacy of which is hereby acknowledged, the parties agree as follows:

1. Development. Developer, or its affiliate or assignee, will construct an approximate 2.9 million square foot distribution center (the “Development”) on the property it will acquire. The Development will be constructed over approximately 18 to 24 months and will thereafter be open for business. It is anticipated that the Development will comprise an expenditure of at least \$100 million consisting of hard costs (including construction of improvements, roads, and utilities), soft costs, debt, equity and other development expenses associated with the Development.

2. Extension of Research Parkway. Developer agrees, at its expense, to design and construct, substantially in compliance with the City’s engineering standards, the extension of Research Parkway from its current end point past the Development and continuing to Division Street, and related improvements, including, but not limited to, storm sewer and other storm water management, utilities, signage and signaling (if required) (collectively, the “Road Extension”).

3. City Improvements. Following the construction start of the Development, the City agrees to construct the improvements to Research Parkway, Hillandale Road, Northwest Boulevard and West 76th Place and Division Street as generally depicted on the attached Location Map and Plan Sheets E-1 to E-6 (the “City Improvements”). The estimated cost of the City Improvements are more particularly itemized on the Roadway Project Description and Cost Estimate attached hereto. City agrees to pay the cost and expense of the City Improvements without regard to its source of funding for such City Improvements and to substantially complete the City Improvements on or before August 1, 2022 (“Completion Date”). The failure of the City Improvements to be completed by the Completion Date shall not prohibit the issuance of a certificate of occupancy for the Development. The City will obtain, as necessary, in a timely manner, any necessary right-of-way or other property rights for the construction of the City Improvements, including temporary construction easements, at its sole cost and expense. If the City fails to complete the City Improvements by the Completion Date for any reason other than as

permitted under Section 13, then, following 30-days' prior written notice to the City, Developer may, at its option, and without prejudice to any other right or remedy, complete the City Improvements on the City's behalf and the City shall pay the Developer, upon demand, all reasonable costs, expenses, and disbursements incurred by the Developer to complete the City Improvements.

4. Further Cooperation. City and Developer agree to cooperate in good faith with the performance of all of the activities contemplated herein, and to use reasonable efforts to promptly respond to requests and notices received from the other party. The parties further agree to diligently work toward executing all documents necessary to effectuate the purposes of this Agreement. The City shall expedite all permitting and expedite any City approvals as may be mutually determined to be necessary for the Development.

5. Contingent. This Agreement is contingent upon Developer entering into final definitive agreements for the Development with the end user. If final definitive agreements have not been entered into with the end user within twelve (12) months of the date of this Agreement, this Agreement shall terminate automatically.

6. Successors in Interest. All the terms, provisions and conditions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. Developer may assign the benefits of this Agreement to its assignee, in its sole discretion.

7. Modification. This Agreement may be modified or supplemented by the parties. Any such amendment shall be in writing and signed by a duly authorized representative of the parties.

8. Choice of Law. The laws of the State of Iowa shall govern and determine all matters arising out of or in connection with this Agreement without regard to the choice of law provisions of Iowa law. This provision shall not be construed as waiving any immunity to suit or liability including without limitation sovereign immunity in State or Federal court, which may be available to City.

9. Integration. This Agreement represents the entire Agreement between the parties. The parties shall not rely on any representation that may have been made which is not included in this Agreement.

10. Notice. Any and all notices, designations, consents, offers, acceptances or any other communication provided for herein shall be given in writing by FedEx or other similar overnight carrier which shall be addressed to each party as set forth as follows:

If to City:
City Administrator

City of Davenport
226 W 4th Street
Davenport, IA 52801

If to Developer:

Seefried Industrial Properties, Inc.
8745 W. Higgins Road, Suite 220
Chicago, IL 60631
Attn: David Riefe

Each such notice shall be deemed to have been provided at the time it is actually received. From time to time, the parties may change the name and address of a party designated to receive notice. Such change of the designated person shall be in writing to the other party and as provided herein.

11. Authorization. Each party to this Agreement represents and warrants to the other party that: it has the right, power and authority to enter into and perform its obligations under this Agreement, it has taken all requisite action (corporate, statutory or otherwise) to approve execution, delivery and performance of this Agreement, and this Agreement constitutes a legal, valid and binding obligation upon itself in accordance with its terms.

12. Counterparts. The parties agree that this Agreement has been or may be executed in several counterparts, each of which shall be deemed an original and all such counterparts shall together constitute one and the same instrument. Electronic or PDF copies shall constitute an original.

13. Delay or Impossibility of Construction Activity. Neither party shall be in default under this Agreement if construction activity required hereunder is delayed or made impossible by an act of God, flood, fire or similar events or civil insurrection or war. In each such case, the delay or impossibility must be beyond the control and without the fault or negligence of the party. If delay results from a party's conduct, negligence or failure to perform, the party shall not be excused from compliance with the terms and obligations of this Agreement.

[Signature page follows]

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Agreement as of the day and year set forth above.

CITY OF DAVENPORT

By: _____
Mike Matson, Mayor

Attest: _____
Brian Krup, Deputy City Clerk

SEEFRIED INDUSTRIAL PROPERTIES, INC.

By: _____
_____, Its _____