

LIMITED NOTICE TO PROCEED

This Limited Notice to Proceed ("LNTP") is effective as of March 10, 2026 (the "Effective Date") and is intended to set forth certain agreements between the Lexington-Fayette Urban County Government (the "Lessee" or "LFUCG") and LOF Development, LLC (the "Developer") regarding the Government Center Project in Lexington, Kentucky (the "Project"). Pursuant to the express terms of this LNTP, both LFUCG and Developer agree as follows:

1. LFUCG and Developer entered the Development Agreement dated February 12, 2026 (the "Agreement") for the Project. The Agreement is incorporated herein in its entirety. Capitalized terms included herein but not otherwise defined shall have the meanings ascribed in the Agreement. Except as otherwise expressly stated herein, the Parties acknowledge and agree that the terms and conditions of the Agreement shall apply to the Work and all other activities conducted hereunder, and the Parties agree to abide by such terms and conditions. To the extent of any conflict between such terms and conditions of the Agreement and this LNTP, the terms of this LNTP shall prevail.
2. LFUCG and Developer acknowledge that in an effort to commence the development of the Project at the soonest opportunity, LFUCG desires to have Developer perform certain services in advance of the date on which LFUCG will provide Developer with the full Notice to Proceed with the Work. Developer is hereby authorized by LFUCG to proceed solely with the Professional Services to and including Schematic Design regarding the Work required for the Project and such Design Development Documents to enable D. W. Wilburn, Inc. to determine the GMP for the Project (the "Preliminary Work").
3. Time is of the essence. Developer shall complete the Preliminary Work in accordance with the timelines and time periods provided in the Agreement, particularly Section 1.9 of the Agreement.
4. Until termination of this LNTP as set forth in Paragraph 5 herein, and as consideration for Developer's Preliminary Work, Developer shall be entitled to payment for the Preliminary Work for the amounts invoiced to Developer by its Contractors for Work actually and reasonably incurred for the Preliminary Work plus Developer's Fee, with a not to exceed total aggregate amount of seven hundred thirty-nine thousand sixty-two dollars (\$739,062.00) *(twenty (20) percent of the Design Fee plus the proportional five (5) percent Developer's Fee)* for the Preliminary Work (the "NTE Sum"). The parties hereto acknowledge and agree that its Contractors will have performed work in excess of the NTE Sum, but will only be paid for the cost in excess of the NTE Sum in the event that this Agreement is not terminated pursuant to Section 1.19(b)(ii) or Section 8.16 of the Agreement. Developer shall invoice LFUCG, and LFUCG shall issue payment to Developer, in accordance with the Agreement for that portion of the Preliminary Work due and owing hereunder.
5. Unless this LNTP is extended by agreement of both Parties in a written modification, this LNTP will terminate on the earlier of the following: (i) issuance of the full Notice to Proceed by LFUCG; (ii) execution of the Development Agreement Amendment by the Parties; (iii) termination of the Agreement; or (iv) any other mutual written agreement by LFUCG and Developer. If and when LFUCG issues the full Notice to Proceed in accordance with the Agreement, (i) all Preliminary Work performed by Developer hereunder shall be subsumed thereby and considered part of the "Work" to be performed by Developer thereunder, and (ii) the Agreement will replace and supersede this LNTP in its entirety.

[SIGNATURE PAGE FOLLOWS]

**LEXINGTON-FAYETTE URBAN COUNTY
GOVERNMENT**

By: Linda Gorton
Linda Gorton, Mayor

LOF DEVELOPMENT, LLC

By: R. Dudley Webb
R. Dudley Webb, Authorized Representative

By: P. Lee Greer
P. Lee Greer, Authorized Representative

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