MEMORANDUM OF AGREEMENT

THIS MEMORANDUM OF AGREEMENT ("Agreement") is made and entered into as of the ___ day of _____, 2026 ("Effective Date"), by and between the **LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT** ("LFUCG"), 200 East Main Street, Lexington, Kentucky 40507, and **SEVEN HILLS PROPERTIES, LLC** ("Developer"), 241 Pasadena Drive, Suite 140, Lexington, Kentucky 40503. LFUCG and Developer are referred to collectively as the "Parties."

RECITALS

WHEREAS, LFUCG is the owner of property located at **1960 Old Higbee Mill Road**, Lexington, Kentucky, as recorded in **Deed Book 2251, Page 104**;

WHEREAS, Developer is constructing an embankment associated with the parking lot/access drive for its apartment project located at **1870 Old Higbee Mill Road**, as shown on the certified Minor Amended Development Plan (25-00018) and construction plans titled "South Lexington Development Company, Inc., Higbee Creek Lot 5, 1870 Old Higbee Mill Road";

WHEREAS, LFUCG will allow Developer to perform certain grading and embankment work on LFUCG's adjacent property at **1960 Old Higbee Mill Road**, provided the work is completed in accordance with the terms and conditions set forth herein;

WHEREAS, the Parties desire to establish their respective responsibilities relating to grading permissions, erosion control, site restoration, construction limits, and protection of LFUCG property.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the Parties agree as follows:

1. INCORPORATION OF RECITALS

The foregoing Recitals are incorporated as though fully set forth herein.

2. AUTHORITY OF DEVELOPER

Developer represents that it is duly organized and authorized to perform the grading and embankment work described in the accepted improvement plans for **1870 Old Higbee Mill Road**, and will comply with all applicable regulations, including obtaining a land disturbance permit for **1870 Old Higbee Mill Road** prior to beginning work.

3. CONDITIONS PRECEDENT TO WORK

Developer shall not perform any grading or related work on **1960 Old Higbee Mill Road** until this Agreement is fully executed; and LFUCG's Division of Engineering issues a land disturbance permit for **1870 Old Higbee Mill Road**.

4. SCOPE OF WORK ON LFUCG PROPERTY

Developer is permitted to perform only the work necessary to construct the embankment associated with the apartment project. All work must follow the terms below:

4.1 Required Work Elements

Developer shall perform the following:

1. Installation of erosion control measures.
2. Clearing and stripping of existing vegetative cover.
3. Placement of fill material that is clean and free of rock larger than 6 inches, compacted per General Notes in accepted plans.
4. Placement of a minimum of 6 inches of clean topsoil over disturbed areas.
5. Seeding of slopes using **90% Kentucky 31 Tall Fescue** and **10% Partridge Pea**, consistent with KYTC Specifications.
6. Installation of erosion control blanket protection.
7. Removal of all construction debris, trash, and unwanted material from **1960 Old Higbee Mill Road** upon completion.
8. No storage of equipment or stockpiled material on LFUCG property.

4.2 Limits of Grading

All work shall remain within the boundaries shown on the **Proposed Grading Exhibit** attached hereto and referenced herein.

4.3 Restoration Requirement

Any disturbed area must be restored to a condition **equal to or better than** the condition existing prior to commencement of work.

5. RESPONSIBILITIES OF LFUCG

LFUCG shall:

1. Allow Developer access to **1960 Old Higbee Mill Road** for the limited purpose described herein.
2. Review and approve erosion control and grading measures as needed. LFUCG shall not be responsible for construction management or oversight.

6. CHANGES IN WORK

Developer shall not modify the scope of work or expand the grading limits beyond those expressly permitted unless LFUCG provides prior written approval.

7. EROSION AND SEDIMENT CONTROL

Developer shall comply with all erosion control and stormwater requirements, and shall ensure that disturbed areas remain stabilized throughout construction.

8. INSURANCE

Developer shall maintain appropriate commercial liability insurance throughout the performance of work on LFUCG property and ensure contractors do the same.

9. HAZARDOUS SUBSTANCES

Developer shall ensure that no hazardous substances are generated, released, stored, or disposed of on LFUCG property in violation of law. Developer shall remediate any release and indemnify LFUCG for damages arising from such release.

10. TERMINATION

Either Party may terminate this Agreement with thirty (30) days' written notice.

11. DEFAULT

A Party is in default if it fails to cure a breach within thirty (30) days after written notice from the other Party.

12. INDEMNIFICATION AND HOLD HARMLESS

Developer assumes responsibility for damages arising from its acts or omissions or those of its contractors or subcontractors. Developer shall indemnify, defend, and hold LFUCG harmless from resulting claims, except where damages result solely from LFUCG's negligence.

13. BINDING EFFECT

This Agreement binds the Parties and their successors and assigns. No Party may assign its interest without the written consent of the other.

14. GOVERNING LAW AND FORUM

This Agreement shall be governed by Kentucky law. Any action shall be brought in a court of competent jurisdiction in Fayette County, Kentucky.

15. SEVERABILITY

If any provision of this Agreement is found invalid, the remainder shall remain enforceable.

16. AMENDMENTS

This Agreement may only be amended in writing, signed by both Parties.

17. NOTICES

Notices required under this Agreement shall be provided in writing, delivered by certified mail or overnight courier, to:

LFUCG
Commissioner, Environmental Quality & Public Works
200 East Main Street
Lexington, KY 40507

Developer
Seven Hills Properties, LLC
241 Pasadena Drive, Suite 140
Lexington, KY 40503

Either Party may change its notice address by written notice.

18. EXECUTION IN COUNTERPARTS

This Agreement may be executed in counterparts; electronic signatures shall have full force and effect.

19. AUTHORITY TO EXECUTE

Each Party represents that the individual signing below has full authority to bind the respective Party.

SIGNATURES

LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT

By: _____

Name: _____

Title: _____

Date: _____

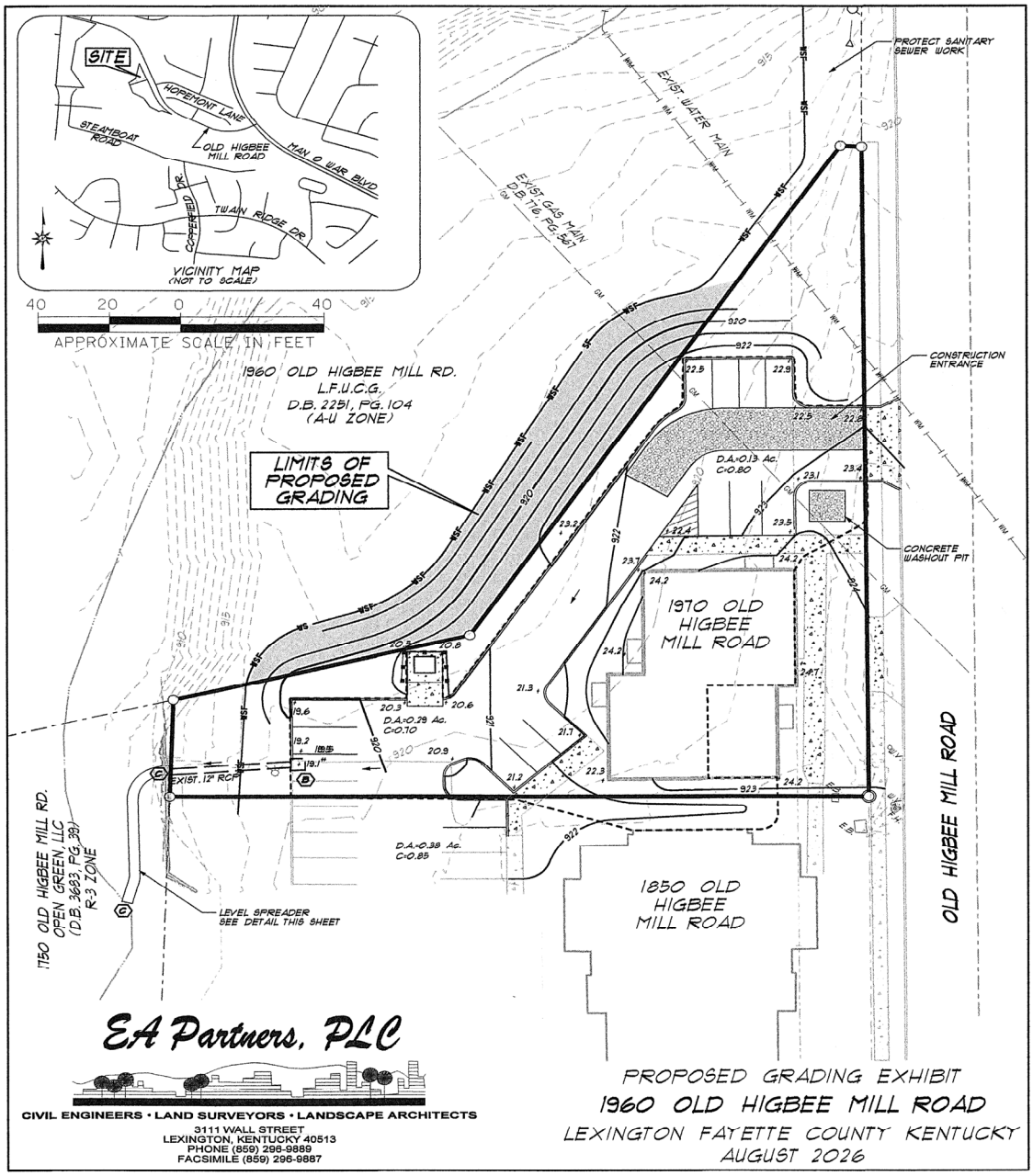
SEVEN HILLS PROPERTIES, LLC

By: _____

Name: _____

Title: _____

Date: _____

EXHIBIT A

Proposed Grading Exhibit