

DEVELOPMENT AGREEMENT
Matt Construction, Inc. Townhome Project
201 9th Ave. SW, Oelwein, Iowa
Approved by Resolution 5851-2026

COMES NOW, the City of Oelwein, Iowa ("City") and Matt Construction Inc. ("Developer"), City and Developer hereinafter referred to at times individually as "Party" and jointly as "Parties", on this 10 day of February 2026 ("Effective Date") and hereby agree to the following terms and provisions of this Development Agreement ("Agreement") related to the construction of three townhomes by Matt Construction, Inc. on 201 9th Ave SW, Oelwein, Iowa. ("Property"); and

WHEREAS, City is the current owner of Property, and proposes to transfer Property to Developer consistent with and subject to the terms and provisions of this Agreement; and

WHEREAS, Developer has agreed to build three townhomes on the Property, each of which to include at least three (3) bedrooms, two (2) bathrooms, and a two-car attached garage, ("Project"); and

WHEREAS, City desires to encourage residential construction and to that end finds it appropriate to transfer Property to Developer for \$1.00 as an economic development incentive, along with a cash incentive of \$15,000 per townhouse unit upon Project completion, recognizing value added by new housing, value of using 'infill' lots, and value tied to an increase in property tax receipts; and

WHEREAS, City and Developer find it appropriate to memorialize the agreement of the Parties by this Agreement.

NOW, THEREFORE, In furtherance of the above and foregoing, City and Developer hereby agree as follows:

1. Transfer of Property to Developer:

- a. City agrees to transfer Property to Developer for purposes of the Project, for \$1.00 and other good and valuable consideration, including Developer's agreement to the additional obligations of this Agreement.

2. Other Incentives:

- a. City agrees to pay Developer the sum of \$15,000 for each fully constructed housing unit for which an occupancy permit has been issued by the City, within thirty (30) days of issuance of the each occupancy permit.
- b. City Agrees to waive all Building Permit Fees related to the Project.
- c. City agrees to grant Developer a Right of First Refusal to purchase the properties located at 204 8th Ave. SW, 115 9th Ave. SW, and 109 9th Ave. SW, consistent with the terms and provisions of the Right of First Refusal attached hereto as "Exhibit A".

3. Developer Obligations:

Developer shall undertake Project and see to Project completion, to include full completion of all three (3) townhouses and receipt of occupancy permits from City, within eighteen (18) months of the transfer of Property to Developer.

- a. Developer shall provide City a signed contract between Developer and a licensed contractor detailing the work to be performed to complete the Project in addition to Estimated Project costs and timeline.
- b. Developer shall provide a financing commitment letter from a bank or credit union ("Lender") evidencing the availability of necessary funding to complete the Project, in an amount equal to 100% of the estimated Project costs plus 10% contingency.
- c. Developer agrees to perform its obligations in accordance with the material terms of this Agreement, and all applicable local, state and federal law and regulation.
- d. Upon Project completion:
 - i. Developer will provide a report to the City, detailing Project improvements.
 - ii. Developer will allow the City, or its' contractor or agent, to fully inspect the Property and Project for completion of improvements and Code compliance prior to City issuance of Occupancy Permits.

4. Assurances:

- a. The Parties hereby represent and warrant to one another, that to the best of their knowledge:
 - i. The Parties have each obtained all necessary approvals and consents for their execution, delivery and performance of this Agreement and each has full power and authority to execute, deliver and perform its obligations under this Agreement. This Agreement, upon execution and delivery by the Parties is a valid and legally binding contract, as of and after the Effective Date, enforceable in accordance with its terms, except as the same may be limited by bankruptcy, insolvency, reorganization or other laws relating to or effecting creditor's rights generally.
 - ii. The Parties agree to exercise their best efforts to cooperate with one another in the development process as specifically provided for herein.
 - iii. The Parties agree to exercise their best efforts to resolve any disputes mutually and reasonably between them that may arise during the development process in a reasonable and prompt fashion.
 - iv. The Parties acknowledge that the City has communicated to Developer, that the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, and the fulfillment of or compliance with the terms and conditions of this Agreement are not prevented by, limited by, in conflict with, or result in a violation or breach of, the terms, conditions or provisions of the charter of City, any evidence of indebtedness, agreement or instrument of whatever nature to which City is now a party or by which it or its property is bound, or constitute a default under any of the foregoing, and Developer has

communicated to City that Developer is not a corporation, limited liability company, other entity, that the Developer is the persons signing this Agreement, and that they have full authority to execute and agree to the terms hereof.

- v. The Parties acknowledge that there are no actions, suits or proceedings pending or threatened against or affecting them, in any court or before any arbitrator or by any governmental body in which there is a reasonable possibility of an adverse decision which could materially affect the financial position or operations of either Party or which affects the validity of this Agreement or either Party's ability to perform its obligations under this Agreement.

5. General Terms and Provision.

- a. "Notices and Demands" Whenever this Agreement requires or permits any notice or written request by one party to another, it shall be deemed to have been properly given if and when delivered in person or three (3) business days after having been deposited in any U.S. Postal Service and sent by regular or certified mail, postage prepaid, addressed as follows:

If to Developer:

Matt Construction Inc.
203 Y Ave, Sumner, IA 50674

If to City:

City of Oelwein
Attn: City Administrator
20 2nd Ave. SW Oelwein, IA 50662

or at such other address with respect to either party as that party may, from time to time designate in writing and provide to the other party.

- b. "Binding Effect" This Agreement shall be binding upon and shall inure to the benefit of City and Developer and their respective successors and assigns.
- c. "Execution By Scanning or Electronic Signature" The parties agree that this Agreement may be transmitted between them by scanning or electronic signature. The parties intend that the scanned or electronic signatures constitute original signatures and that such scanned or electronically signed Agreement containing the signatures (original, scanned, or e-signed) of all the parties is binding on the parties.
- d. "Maintenance of Insurance" Developer shall maintain the Property in good repair and condition, ordinary wear and tear excepted, and shall not suffer or commit waste or damage upon the Property. Developer shall pay for and maintain insurance in an amount not less than the full insurable value of the project property.
- e. "Responsibilities" Subject to the terms of this Agreement, Developer will be solely responsible for completing all work on the Project. Neither party will be considered an agent of the other for purposes of this Project, and each will hold harmless and indemnify the other for any damages suffered by any person or entity as a result of its own or its agents' acts or failures to act in performance of its obligations under this Agreement.

- f. "Assignment of Agreement" The Parties may not assign, transfer or convey in whole or in part this Agreement, without the consent of each Party. Consent shall not be unreasonably withheld.
- g. "Amendments" No change, modification, or termination of any of the terms, provisions or conditions of this Agreement shall be effective unless made in writing and signed by the Parties.
- h. "Entire Agreement" This Agreement contains the entire understanding between the City and the Developer with respect to the Project.
- i. "Laws Ordinances and Regulations" Developer shall comply with all laws, rules and regulations relating to its businesses, other than laws, rules and regulations the failure to comply with which or the sanctions and penalties resulting therefrom, would not have a material adverse effect on the business, property, operations, financial or otherwise, of Developer.
- j. "Governing Law / Jurisdiction" This Agreement shall be governed by Iowa law with jurisdiction in the Fayette County District Court.
- k. "Building Permits" Developer agrees to apply for, obtain, and otherwise follow all laws and regulations related to the issuance of necessary Permits for the Project.
- l. "Non-Discrimination" In carrying out the Project, Developer shall not discriminate against any employee or applicant for employment because of race, religion, color, sex, sexual orientation, national origin, age or disability. Developer further agrees to not discriminate upon the basis of race, religion, color, sex, sexual orientation, national origin, age or disability in the sale, lease, rental, use or occupancy of the Property or any improvements erected or to be erected thereon, or any part thereof (however, Developer shall not have any liability to City to the extent that a successor in interest shall breach this covenant and City shall seek enforcement of this covenant directly against the party in breach of same).
- m. "Conflict of Interest" Developer agrees that no member, officer or employee of City, or its designees or agents, nor any consultant or member of the governing body of City, and no other public official of City who exercises or has exercised any functions or responsibilities with respect to the project during his or her tenure, or who is in a position to participate in a decision-making process or gain insider information with regard to the project, shall have any interest, direct or indirect, in any contract or subcontract, or the proceeds thereof, for work to be performed in connection with the Project, or in any activity, or benefit therefrom, which is part of this Project at any time during or after such person's tenure. In connection with this obligation, Developer shall have the right to rely upon the representations of any party with whom it does business and shall not be obligated to perform any further examination into such party's background.
- n. "Construction" Words and phrases herein, including acknowledgement hereof, shall be construed as in the singular or plural number, and as masculine, feminine, or neuter gender according to the context. The captions preceding the Sections are inserted only as a matter of convenience and for reference purposes and should not be considered substantive or relied upon in interpreting any provision of this Agreement. This Agreement shall be considered to have been jointly drafted by the Parties.

- o. "Captions" The captions preceding the Sections are inserted only as a matter of convenience and for reference purposes and should not be considered substantive or relied upon in interpreting any provision of this Agreement
- p. "Severability" If any part, term or provision of this Agreement is held to be illegal, in conflict with any law or otherwise invalid, the remaining portion or portions shall be considered severable and not be affected by such determination, and the rights and obligations of the parties shall be construed and enforced as if the Agreement did not contain the illegal or invalid part, term, or provision.
- q. "Acknowledgement" The Parties, by signing this Agreement, acknowledge having carefully read the same, having had an opportunity to consult with counsel concerning the legal effect of this Agreement and its various terms and conditions, and have signed the Agreement voluntarily and without duress or coercion.

6. Events of Default and Remedies.

- a. "Events of Default Defined" The following shall be "Events of Default" under this Agreement and the term "Event of Default" shall mean, whenever it is used in this Agreement, any one or more of the following events:
 - i. Failure by Developer to pay or cause to be paid, before delinquency, all real property taxes assessed with respect to Property.
 - ii. Failure by Developer to substantially observe or perform any other material covenant, condition, obligation or agreement on its part to be observed or performed under this Agreement.
 - 1. Specifically including the complete construction of the Project and receipt of Occupancy Permits for all three (3) townhouses within eighteen (18) months of the transfer of Property by City to Developer.
- b. "Remedies on Default by Developer" Whenever any Event of Default is alleged to have occurred, the City may take any one or more of the following actions after giving written notice to Developer (and the holder of any mortgage encumbering any interest in the Property of which City has been notified of in writing) of the alleged Default, but only if the alleged Default has not been cured within thirty (30) days following such notice, or if the Default cannot be cured within thirty (30) days and Developer does not provide adequate assurances found acceptable to City that the Event of Default will be cured as soon as reasonably possible thereafter:
 - i. City may in its sole discretion choose to cancel and terminate this Agreement, or pursue any legal remedies available under applicable law; and
 - ii. City may make immediate demand from Developer for the payment to City in the amount of \$10,000.00, the agreed upon value of the Property transferred by City to Developer for \$1.00, same to be due and payable to the City within thirty (30) days of said demand.
- c. "No Remedy Exclusive" No remedy herein conferred upon or reserved to City is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in

equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. Should the City have to take legal action to collect any sums due from the Developer or the Guarantors, the Developer and the Guarantors shall be liable for City's legal expenses and costs.

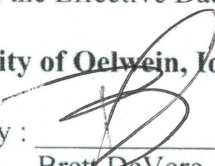
- d. "No Implied Waiver" In the event any agreement contained in this Agreement should be breached by any party and thereafter waived by any other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other concurrent, previous or subsequent breach hereunder.

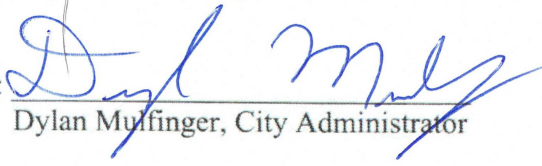
7. **"Personal Guaranty" and "Legal Expenses and Costs"**

- a. The principal(s) of the Developer agrees to personally guarantee project completion consistent with the terms of this Agreement, as outlined in the Personal Guaranty attached hereto as **"Exhibit B"**. The Parties agree that the execution of the Personal Guaranty by the principal of the Developer is part of the consideration supporting this Development Agreement. Should the City have to take legal action to collect any sums due from the Developer or the Guarantor, the Developer and the Guarantor shall be liable for City's legal expenses and costs.

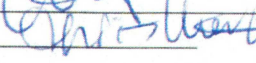
IN WITNESS WHEREOF, City has caused this Agreement to be duly executed in its name and behalf by its Mayor and attested to by its City Administrator and Developer has caused this Agreement to be duly executed by a person with authority to act on the part of the Developer, as of the Effective Date hereof.

City of Oelwein, Iowa

By : 
Brett DeVore, Mayor

By : 
Dylan Mulfinger, City Administrator

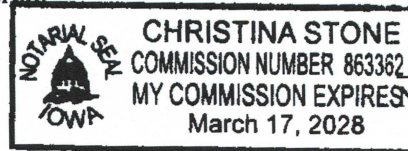
Matt Construction Inc

By : 
By: Chris Matt, 

State of Iowa)
)§
County of Fayette)

Subscribed and sworn to me, the undersigned Notary Public, in and for the State of Iowa, on this 10 day of February 2026, by Chris Matt, known to me to be the identical person named

herein, who swore and affirmed that he executed the same in his capacity as Secretary of Matt Construction, Inc., with the authority and at the direction of the Corporation, by it and by him voluntarily entered



Christina Stone
Notary Public, State of Iowa

Exhibit A
Right of First Refusal

Preparer/Return to: Douglas D. Herman, Lynch Dallas Legal, PO Box 2457 Cedar Rapids, Iowa 52406; Telephone: 319-365-9101

Right of First Refusal

WHEREAS, the City of Oelwein, Iowa ("City"), and Matt Construction Inc., ("Developer"), City and Developer sometimes referred to jointly as "Parties" or individually as "Party", for good and valuable consideration from Developer to City, same being the execution by Developer of the Development Agreement between City and Developer related to the construction of three townhomes by Developer on property located at 201 9th Ave. SW, the receipt and sufficiency of which is hereby acknowledged, do hereby agree to the following terms and provisions related to certain rights of Developer to purchase City's property ("Right of First Refusal") as outlined herein, this document generally referred to as the "Agreement", and

WHEREAS, the property subject hereto, "City Property" is located at 204 8th Ave. SW, 115 9th Ave. SW, and 109 9th Ave. SW, and legally described as follows:

204 8th Ave. SW:

LOTS 21 AND 22, BLOCK 15, ARMSTRONG'S ADDITION TO OELWEIN,
FAYETTE COUNTY, IOWA

115 9th Ave. SW:

LOTS 4, 5 AND 6, BLOCK 10, ARMSTRONG'S ADDITION TO OELWEIN,
FAYETTE COUNTY, IOWA

109 9th Ave. SW:

LOTS 1, 2 AND 3, BLOCK 10, ARMSTRONG'S ADDITION TO OELWEIN,

FAYETTE COUNTY, IOWA

IN FURTHERANCE OF THE ABOVE AND FOREGOING the Parties hereby agree as follows:

A. **Right of First Refusal**

City grants Developer the following Rights ("Right of First Refusal") related to the purchase of City Property:

1. **Term / Contingency:** The term of the Right of First Refusal, as described in paragraph 2 below, shall continue for a term of forty-eight (48) months, ("Right of First Refusal Term") and shall be binding on the heirs, assigns, and successors-in-interest of the City. Should Developer not fulfill its' obligations under the Development Agreement related to the construction of three townhomes by Developer on property located at 201 9th Ave. SW, or be proceeding in compliance with Developer's obligations under said Development Agreement to the satisfaction of the City Council, this Right of Refusal shall be considered void and of no force and effect.
2. **Rights:** If, at any time during the Right of First Refusal Term, City receives a bona fide arms' length offer for any portion of City Property, without contingencies, or with contingencies that have been waived, from a third party, ("Third Party Buyer") and City accepts said offer, said acceptance shall be contingent upon Developer's Right of First Refusal rights.
3. **Notice to Developer:** City shall give Developer written notice of an accepted offer by a Third Party Buyer to purchase City Property including a full and complete copy of the Third Party Buyer offer at such time as said offer is not subject to any contingencies, but for Developer's Right of First Refusal.
4. **Exercise of Rights:** Within thirty (30) days of receipt of notice from City, as described in Paragraph 3 above, Developer shall have the right to purchase City Property under Paragraph 2 above under the same terms and conditions as agreed to by City and the Third Party Buyer, and shall exercise said right by giving written notice of intent to exercise said Right of First Refusal, with no contingencies, accompanied by a standard Iowa Bar Association purchase agreement, or similar form, offering to buy the City Property, under the same terms and conditions offered by the Third Party Buyer and accepted by City with no contingencies and a closing date within ninety (90) days of the date of the execution of the purchase agreement by Developer.

B. Record Notice

This Agreement shall be recorded at City expense with the Fayette County Recorder.

C. Effective Date

This Agreement shall be effective upon the last day of execution by the Parties.

Signed and dated Feb., 10, 2026

City of Oelwein, Iowa

By: [Signature]
Brett DeVore, Mayor

By: [Signature]
Dylan Mulfinger, City Administrator

Matt Construction Inc

By: [Signature]
By: Chris Matt, [Signature]

State of Iowa)
)§
County of Fayette)

Subscribed and sworn to me, the undersigned Notary Public, in and for the State of Iowa, on this 10 day of February, 2026, by Chris Matt, known to me to be the identical person named herein, who swore and affirmed that he executed the same in his capacity as Secretary of Matt Construction, Inc., with the authority and at the direction of the Corporation, by it and by him voluntarily entered.

	CHRISTINA STONE	<u>[Signature]</u> Notary Public, State of Iowa
	COMMISSION NUMBER 863362	
	MY COMMISSION EXPIRES March 17, 2028	

Exhibit A
Right of First Refusal

109 9th Ave SW

115 9th Ave SW

201 9th Ave SW

204 8th Ave SW

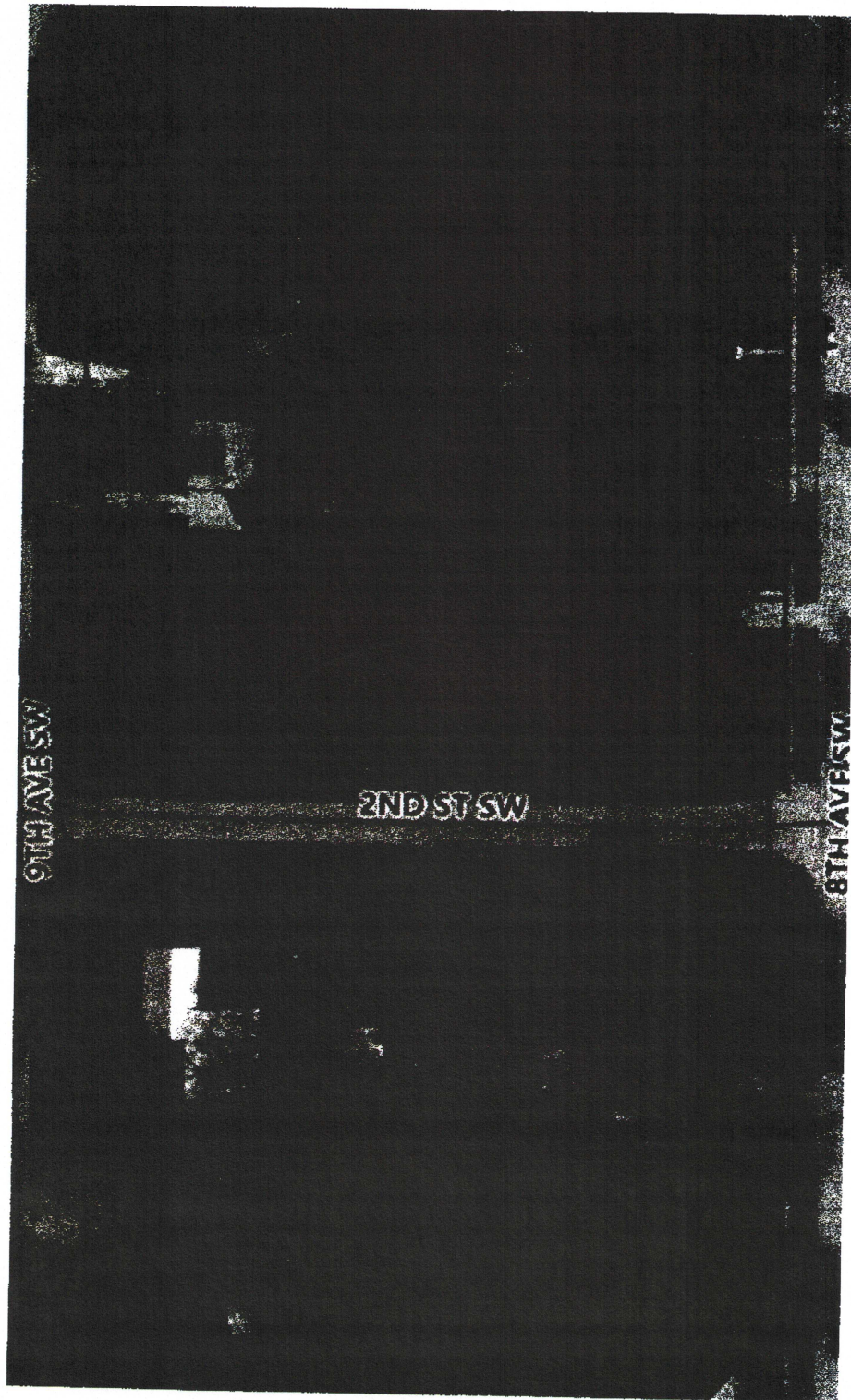


Exhibit B
Personal Guaranty

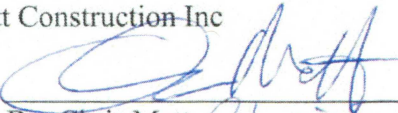
The undersigned, as "Guarantor", in consideration of, and as inducement to the City of Oelwein ("City") to enter into a certain Development Agreement ("Agreement") with an Effective Date of _____, to which this Personal Guaranty is attached, by and between City and Matt Construction Inc. ("Developer"), hereby agrees as follows:

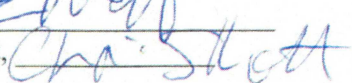
1. Consideration. This Guaranty is made for good and valuable consideration and to induce City to enter into a Development Agreement with Developer. Guarantor has a substantial financial interest in Developer and Guarantor acknowledges the receipt and adequacy of the consideration received by Guarantor in connection with the aforementioned Development Agreement between City and Developer.
2. Financial Guaranty. Guarantor hereby acknowledges that Developer will not receive any payment from City should Developer fail to construct townhomes. By executing this Guaranty Agreement, Guarantor hereby acknowledges that Guarantor has reviewed the Development Agreement between City and Developer, have had sufficient opportunity to consult with legal counsel, and fully understand Guarantor's financial obligations and exposure under this Guaranty Agreement.
3. Payment by Guarantor. Guarantor hereby agrees that in the event Developer becomes obligated to pay any sum to City under and consistent with the terms of the Development Agreement, that Guarantor will pay any such amounts in full to City within thirty (30) days of the mailing of written notice by City to Guarantor that such sums are due. Guarantor agrees that all such notices shall be sent to Guarantor at the address shown by the Development Agreement, or at such other address or email address as Guarantor may from time to time provide to City in writing. Any such notice may be mailed by overnight mail or first-class mail, postage pre-paid, and/or sent via email, the thirty (30) day notice time frame shall be deemed to commence on the first day following mailing or emailing.
4. Nature of Guarantors Liability. Guarantor agrees that Guarantor's payment obligations under this Guaranty Agreement are an independent contractual undertaking on the part of Guarantor, and that Guarantor's liability to City shall be joint and several with Developer's obligations and/or liability to City under the Development Agreement. Guarantor further agrees that City's remedies against Guarantor for breach of this Guaranty Agreement shall be separate and distinct from its remedies against Developer, and City may, at its sole option, proceed directly against Guarantor without first proceeding against Developer. Neither the failure of City in any particular instance to insist upon Guarantor's strict performance, nor the granting by City of any particular indulgence, forbearance or concession to either Guarantor or Developer, shall operate as a waiver on the part of City to thereafter insist upon Guarantor's strict performance of this Guaranty Agreement. Guarantor agrees that, absent an express agreement in writing to the contrary signed by City, this Guaranty Agreement shall be irrevocable by Guarantor until such time as the Developer's obligations under the Development Agreement have been fully satisfied and the City has released Developer from any further obligations thereunder.
5. Governing Law and Venue. Guarantor agrees that the interpretation and enforcement of this Guaranty Agreement shall be governed by Iowa Law and jurisdiction shall be in the

District Court in and for Fayette County, Iowa.

Signed and dated this 10 day of February, 2026.

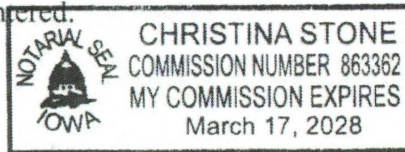
Matt Construction Inc

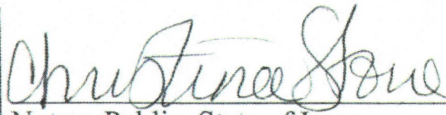
By: 

By: Chris Matt, 

State of Iowa)
)§
County of Fayette)

Subscribed and sworn to me, the undersigned Notary Public, in and for the State of Iowa, on this 10 day of February, 2026, by Chris Matt, known to me to be the identical person named herein, who swore and affirmed that he executed the same in his capacity as Secretary of Matt Construction, Inc., with the authority and at the direction of the Corporation, by it and by him voluntarily entered.




Notary Public, State of Iowa