

PROJECT AND DEVELOPMENT AGREEMENT

This Project and Development Agreement (the "*Agreement*"), made and entered into as of December __, 2005, by and among the City of Columbus, Ohio (the "*City*"), a municipal corporation organized and existing under the constitution and the laws of the State of Ohio and its Charter, ABL Group Ltd., a Texas limited partnership, Cobbleton Bachman, LLC, an Ohio limited liability company, Cobbleton Bachman II, LLC, an Ohio limited liability company, Rennob, Inc., an Ohio corporation, Lee Smith Farms, LLC, an Ohio limited liability company and Dominion Homes, Inc., an Ohio corporation (each a "*Developer*" and collectively, the "*Developers*").

WITNESSETH:

WHEREAS, this Council, by its Ordinance 0123-2000 passed on January 31, 2000, adopted the Southeast Area Plan as the official policy document for the Southeast planning area (the area generally bounded by Blacklick Creek, U.S. Route 33 and the Franklin County line), which plan addresses the development and infrastructure needs and goals for the planning area, which include maximizing open space and protecting environmental resources within the planning area while encouraging innovative and livable developments; and

WHEREAS, in an effort to develop the Southeast planning area in a manner consistent with the goals of the Southeast Area Plan, the Developers intend to develop a portion of the Southeast planning area generally bounded Ebright Road on the west, U.S. Route 33 on the southwest, Winchester Pike on the northeast and Bixby Road on the south as more fully depicted and described on Exhibit A attached hereto (the "*Area*") by making or causing to be made certain improvements more fully described on Exhibit B attached hereto (the "*Projects*") to the Area; and

WHEREAS, in furtherance of the Projects, it is necessary that the City construct or to cause to be constructed certain public infrastructure improvements (as described in Exhibit C attached hereto and referred to herein as the "*Public Infrastructure Improvements*") that the City and the Developers agree will directly benefit the Projects and the Area; and

WHEREAS, the City has determined that it is necessary and appropriate and in the best interests of the City to pass an Ordinance (the "*Proposed TIF Ordinance*") establishing one or more tax increment financing districts on the Area for the purpose of funding the Public Infrastructure Improvements; and

WHEREAS, the City does not expect to pass the Proposed TIF Ordinance until after January 1, 2006; and

WHEREAS, in order to preserve the City's ability to enact the Proposed TIF Ordinance under existing TIF law after January 1, 2006, it is necessary for the parties to enter into a "project agreement" as defined in Section 557.17 of Amended Substitute House Bill Number 66 of the 126th General Assembly and a "contract or agreement with a developer" for purposes of Ohio Revised Code Section 3317.021(6)(a) as the same may amended from time to time;

NOW, THEREFORE, in consideration of the premises and covenants contained herein, the parties hereto agree to the foregoing and as follows:

Section 1 – TIF Ordinance and Intent. The City expects, subject to the final review and approval of City Council and the requirements of its Charter, to take all necessary steps in a timely fashion to pass the Proposed TIF Ordinance. The City and each Developer agree to negotiate in good faith to expeditiously resolve any outstanding unresolved development issues. Upon the resolution of those unresolved issues, each Developer agrees to reasonably cooperate with the City to pass the Proposed TIF Ordinance at such time and take such other actions as may be required to implement the tax exemption granted by the Proposed TIF Ordinance, including, but not limited to, filing any necessary tax exemption applications. The parties hereby agree that this Agreement is intended to constitute a "project agreement" for purposes of Section 557.17 of Amended Substitute House Bill Number 66 of the 126th General Assembly and a "contract or agreement with a developer" for purposes of Ohio Revised Code Section 3317.021(6)(a) as the same may amended from time to time.

Section 2 – Projects and Public Infrastructure Improvements. Each Developer agrees to use its best efforts to diligently proceed with the Projects within such timeframes as the business needs of the Developers may dictate. The Projects shall be built in accordance with the development plan for the Projects attached as Exhibit B hereto, as the same may be changed by each Developer from time to time to reflect market realities. The City agrees to expedite any necessary government approvals and plan reviews in order to minimize any associated delays in implementing the Projects. The City and the Developers further agree to negotiate in good faith to provide for the construction and installation of the Public Infrastructure Improvements consistent with the then current development plan for the Projects.

Section 3 - Notices. All notices or other correspondence relating to this Agreement must be in writing (including e-mail or facsimile) and must be delivered or sent guaranteed overnight delivery, by facsimile or e-mail (to be followed by personal or overnight guaranteed deliver, if requested) or by postage prepaid registered or certified mail, return receipt requested, and will be deemed to be given for purposes of this Agreement on the date such writing is received by the intended recipient. Unless otherwise specified in a notice sent in accordance with this section, all communications in writing must be given to the parties at the following addresses:

Developers:

ABL Group Ltd., Cobbleton Bachman, LLC, Cobbleton Bachman II, LLC
and Rennob, Inc.:

1349 Cameron Avenue
Lewis Center, Ohio 43035
Attn: William Westbrook
Facsimile No.: 614.848.4774

Lee Smith Farms, LLC:

Lee Smith Farms, LLC
929 Harrison Avenue, Suite 300
Columbus, Ohio 43215
Attn: Lee Smith
Facsimile: 614.464.9280

Dominion Homes, Inc:

Dominion Homes
5000 Tuttle Crossing Blvd.
Dublin, Ohio 43016
Attn: Tom Hart
Facsimile No.: 614.356.6531

City:

Department of Development
50 West Gay Street, 3rd Floor
Columbus, Ohio 43215
Attn: Director of Development
Facsimile No.: 614.645.2260

Section 4 - Successors; Assignment; Amendments, Changes and Modifications. This Agreement will be binding upon each Developer and its successors and assigns and the City and its successors and assigns. The City may only assign this Agreement with the consent of all Developers and each Developer may only assign this Agreement with the consent of the City, provided, however, that nothing in this Agreement prevents any Developer without the consent of the City from assigning this Agreement to any person or entity that is an affiliate of the Developer or transferring any or all of its interest in the Projects or the Area to another person or entity. This Agreement may only be amended by written instrument executed by all parties to this Agreement except as otherwise provided herein.

Section 5 - Extent of Covenants; No Personal Liability. All covenants, stipulations, obligations and agreements of the parties contained in this Agreement are effective and enforceable to the extent authorized and permitted by applicable law. The obligations of the City may be enforced to the extent permitted by law by mandamus or any suit or proceeding in law or equity. No such covenant, stipulation, obligation or agreement will be deemed a covenant, stipulation, obligation or agreement of any present or future member, officer, agent, or employee of any of the parties hereto in their individual capacity.

Section 6 - Severability. If any provision of this Agreement is held to be illegal, invalid or unenforceable, said provision will be fully severable. This Agreement will be construed and enforced as if such illegal, invalid or unenforceable provision had never comprised a part of this Agreement and the remaining provisions of this Agreement will remain in full force and effect and will not be affected by the illegal, invalid or unenforceable provision or by its severance from this

Agreement. Furthermore, in lieu of such illegal, invalid or unenforceable provision, there will be added automatically as a part of this Agreement a provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible that is and will be legal, valid and enforceable.

Section 7 - Separate Counterparts. This Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered will be an original, but all such counterparts will together constitute one and the same instrument.

Section 8 - Entire Agreement. This Agreement constitutes the entire agreement between the parties with respect to the matters covered herein and supercedes prior agreements and understandings between the parties.

Section 9 - Governing Law and Choice of Forum. This Agreement will be governed by and construed in accordance with the laws of the State of Ohio. All claims, counterclaims, disputes and other matters in question between the City, its employees, contractors, subcontractors and agents, and the Developer, its employees, contractors, subcontractors and agents arising out of or relating to this Agreement or its breach will be decided in a court of competent jurisdiction within the State of Ohio.

(Remainder of page intentionally left blank – signatures begin on following page)

IN WITNESS WHEREOF, the City and the Developers have caused this Project and Development Agreement to be executed in their respective names by their duly authorized officers as of the date hereinabove written.

CITY OF COLUMBUS, OHIO

By: _____

Name: _____

Title: _____

Approved as to Form: _____
City Attorney

ABL GROUP LTD., a Texas Limited Partnership

By: _____

Name: _____

Title: _____

COBBLETON BACHMAN, LLC, an Ohio limited liability company

By: _____

Name: _____

Title: _____

COBBLETON BACHMAN II, LLC, an Ohio limited liability company

By: _____

Name: _____

Title: _____

RENNOB, INC., an Ohio corporation

By: _____

Name: _____

Title: _____

LEE SMITH FARMS, LLC, an Ohio limited liability company

By: _____

Name: _____

Title: _____

DOMINION HOMES, INC., an Ohio corporation

By: _____

Name: _____

Title: _____