

Compound Holdings, LLC.

January 29th, 2021

Dodge County Board

Attention: Mr. Bob Missel, Chairman Dodge County Board

435 Park

Fremont, Ne, 68025

Bob@Sampters.com

Subject: Commitment Letter and Confirmation of Compound Holdings, LLC

Mr. Bob Missel

This will serve as the requested Confirmation and Commitment Letter, regarding Compound Holdings, LLC, intent to construct a Warehouse/Distribution and Manufacturing Facility, on the site located northwest of the intersection of North Yager Road and County Road T, or identified as Parcel # 270139122, Tax Lot 35&37, or 52.04 acres. The site is under contract and subject to due diligence, which includes annexation into the City of Fremont, TIF Funding, and several other Economic Incentives either approved or in the process of being approved.

Projected closing on the site is during month of April, 2021.

Compound Holdings, LLC, understanding of the proposed road construction timeline is for completion in spring of 2021. We also understand that during road

construction, provisions will be made for a construction entrance, so as not to hold up our construction schedule.

Compound Holdings, LLC, understanding of the approval process is approximately three weeks, and would appreciate a projected approval date, including necessary legal requirements you may have. We trust that such date will be no later than February 19th, 2021.

Based upon your estimates, the road project estimated costs are \$600,000, which may adjust based upon final location of the facility entrance. Based upon feedback from Dodge County Supervisors, you indicated support for willingness for a 50% split for both Dodge County and Company.

Compound Holdings, LLC. appreciates the support and your suggested cost sharing in the Road Project; however, with the extent of both infrastructure expenses exceeding \$12 million dollars and total Project cost, with the new partners, projected to be in the \$70-80 million dollar range, and staffing increasing to 70 plus new employees; Compound Holdings, LLC., is asking for consideration from the Dodge County Board to be responsible for up to 100% of the road improvement costs.

Our request is based upon the following rational:

1. Overall Project costs, now with new partner will exceed \$70 million dollars.
2. Infrastructure expenses will exceed \$12 million.
3. Warehouse/Distribution and Manufacturing Facilities are very capital intensive. For example, we will invest over \$1 million dollars for each new employee.
4. With new partnership, Company will create over 70 new jobs in Phase 1.
5. Company net pay exceeds the local market average, with annual pay of \$42,000/employee, plus excellent benefit package.
6. Annual payroll will be approximately \$3 million dollars.
7. Site size of 52 acres provides significant space for expansion. Normal site for this type of project would require 25 acres. Future growth will provide

opportunity for increased capital investment, increased employment, local customer fulfillment, all of which raise the tax base.

8. Development in an area of Dodge County, that has not had significant development.
9. State of the art facility will attract other processing customers.
10. Improved road infrastructure will be a drawing point for other business looking to locate in the area.
11. Recently completed Traffic Study indicates the projected truck traffic from the project will utilize only 25-30% of the capacity; leaving significant capacity for future growth on our site, as well as surrounding sites.
12. Facility campus appearance to add to the appearance of the facility, as well as surrounding grounds.

Bob, the above points were discussion points at the meetings that were held with your team, as well as other community people.

We appreciate you and your Dodge County Board members consideration to our request and look forward to bringing this project to reality.

Sincerely



Adam Brantman