

RESOLUTION NUMBER 7860

WHEREAS, on August 17, 2026, the City of Beatrice approved an LB840 Line of Credit with Newport Bakers, LLC, a California limited liability company registered in the State of Nebraska, Patrick Sedarous, and Ibrahim Elandalousi (jointly and severally, "Borrower"); and

WHEREAS, Borrower has requested to amend the LB840 Line of Credit Agreement when the first payment is due and disbursement of the Line of Credit; and

WHEREAS, the City has reviewed the requested amendment and desires to enter into an Amendment to the LB840 Line of Credit Agreement with Borrower.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF BEATRICE, NEBRASKA:

SECTION 1. That the Mayor and the City Clerk be authorized to execute a First Amendment to LB840 Line of Credit Agreement between the City of Beatrice and Newport Bakers, LLC, a California limited liability company registered in the State of Nebraska, Patrick Sedarous, and Ibrahim Elandalousi, for an economic development line of credit totaling Two Hundred Fifty Thousand Dollars (\$250,000.00) from funds derived from LB840 funds, and to execute all documents in accordance with the provisions of the same as outlined herein. A copy of such First Amendment is attached hereto as Exhibit "A" and incorporated by reference.

SECTION 2. That all resolutions or parts of resolutions in conflict herewith are hereby repealed.

RESOLUTION PASSED AND ADOPTED this 5th day of October, 2026.

Attest:


Erin Saathoff, MMC, City Clerk
Michael McLain, Mayor

**FIRST AMENDMENT TO LB840
ECONOMIC DEVELOPMENT LINE OF CREDIT AGREEMENT
(NEWPORT BAKERS PROJECT)**

This First Amendment to Line of Credit Agreement ("First Amendment") dated this 5th day of October, 2026 is entered into by and between the City of Beatrice, Nebraska, a municipal corporation ("Lender"), and Newport Bakers, LLC, a California limited liability company registered in the state of Nebraska, Patrick Sedarous, Ibrahim Elandalousi (jointly and severally, "Borrower").

RECITALS

WHEREAS, Borrower previously applied to the to the Lender for an LB840 Economic Development Line of Credit in an amount up to Two Hundred Fifty Thousand Dollars (\$250,000.00) for direct financial assistance for the purchase of inventory and equipment for a full-service bakery located at 201 South 5th Street, Beatrice, Nebraska ("Newport Bakers Project"); and

WHEREAS, Borrower and Lender executed loan documents including an LB840 Economic Development Line of Credit Agreement, Promissory Note, Personal Guaranty, and Deed of Trust (hereinafter jointly referred to as the "Loan") on August 17, 2026, to effectuate an LB840 Economic Development Line of Credit in an amount up to Two Hundred Fifty Thousand Dollars (\$250,000.00); and

WHEREAS, Lender and Borrower desire to amend the Line of Credit Agreement executed as part of the Line of Credit; and

WHEREAS, Lender is satisfied that this Amendment to the LB840 Economic Development Loan Agreement furthers the purposes specified in the City of Beatrice LB840 Plan.

NOW THEREFORE, in consideration of mutual promises contained herein, the parties agree to amend the Loan Agreement as follows:

1. Section 3. Section 3 of the Line of Credit Agreement is hereby deleted and restated as follows:

"3. Term; Repayment. This Line of Credit Agreement and the Note shall have a term of one (1) year with a balloon payment at the end of the term. This Line of Credit Agreement may be renewed at the end of the term for another one (1) year period by mutual agreement of the parties hereto in writing. Principal and interest payments shall be due monthly on the first day of each month during the term of this Agreement and the Note. The first payment shall be due on October 1, 2026. Each monthly payment shall equal the greater of (i) one percent (1%) of the outstanding principal balance plus all accrued interest, or (ii) Two Thousand Five Hundred Dollars (\$2,500.00)."

2. Section 4. Section 4 of the Line of Credit Agreement is hereby deleted and restated as follows:

"4. Disbursement of Funds. Disbursement of funds under this Line of Credit shall only be disbursed for the purchase inventory and equipment, except as expressly provided in subsection (c) below. No disbursement of any funds under this Line of Credit shall be made unless and until the Borrower has satisfied all of the following conditions to the Lender's reasonable satisfaction:

- a. The Borrower shall deliver to the Lender original or certified copies of invoices from the vendor(s) for the specific goods to be purchased, which invoices must clearly describe the goods, quantity, unit price, and total cost;
- b. The disbursement shall be used solely for the payment of the actual cost of the goods identified on the approved invoices. No funds shall be disbursed for labor, services, taxes, shipping, freight, installation, or any other expenses; and
- c. Notwithstanding anything to the contrary in this Section 4, the Lender may disburse up to Ninety-Five Thousand Dollars (\$95,000.00) under this Line of Credit for closing costs incurred in connection with the Borrower's purchase of the bakery building. Such disbursement may be made directly to the title company, closing agent, or other payees as required to close the real estate transaction, upon the Borrower's delivery to the Lender of a settlement statement, closing disclosure, or other documentation reasonably satisfactory to the Lender evidencing the closing costs.

The Lender shall have no obligation to make any disbursement unless the Borrower has strictly complied with the requirements of this Section. Any disbursement made in accordance with this Section shall be deemed made solely for the cost of goods (or, in the case of subsection (c), for the approved closing costs) and shall not be used for any other purpose."

This First Amendment to Line of Credit Agreement is effective as of the date reflected in the first paragraph above.

Attest:


Erin Saathoff, City Clerk

LENDER:

THE CITY OF BEATRICE, NEBRASKA
a Municipal Corporation

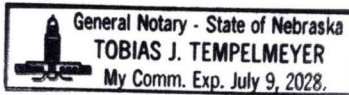
By: 
Michael McClain, Mayor
McClain

10-5-20
DATE

STATE OF NEBRASKA)
) ss.
COUNTY OF GAGE)

McClain Rte

The foregoing instrument was acknowledged before me on this 5 day of October, 2024 by Michael ~~McClain~~, Mayor and authorized signatory on behalf of the City of Beatrice, Nebraska, a Nebraska municipal corporation, to be his voluntary act and deed on behalf of the City.



[Signature]

Notary Public

BORROWER:
Newport Bakers, LLC, a California
limited liability company registered
in the state of Nebraska

[Signature]

By: Patrick Sedarous
Title: Member

10/1/2024

DATE

BORROWER:
Patrick Sedarous, individually

[Signature]

By: Patrick Sedarous

10/1/2024

DATE

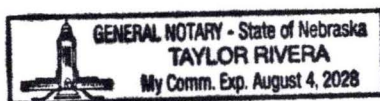
BORROWER:
Ibrahim Elandalousi, individually

[Signature]

By: Ibrahim Elandalousi

STATE OF NEBRASKA)
) ss.
COUNTY OF GAGE)

The foregoing instrument was acknowledged before me on this 1st day of October, 2026 by Patrick Sedarous, Member and authorized signatory of Newport Bakers, LLC, to be their voluntary act and deed on behalf of said limited liability company.

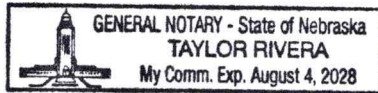


[Signature]

Notary Public

STATE OF NEBRASKA)
) ss.
COUNTY OF GAGE)

The foregoing instrument was acknowledged before me on this 1st day of October, 2026 by Patrick Sedarous, to be their voluntary act and deed.

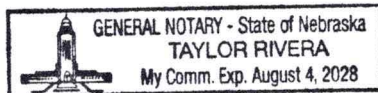




Notary Public

STATE OF NEBRASKA)
) ss.
COUNTY OF GAGE)

The foregoing instrument was acknowledged before me on this 1st day of October, 2026 by Ibrahim Elandalousi, to be their voluntary act and deed.





Notary Public