SEVENTH AMENDMENT TO THE
22ND & MAIN
TAX INCREMENT FINANCING PLAN
KANSAS CITY, MISSOURI

TIF Commission Approval:
Date  July 12, 2006  Resolution No. 7-14-06

City Council Approval:
Date  August 31, 2006  Ordinance No. 060916

Attached herewith is a true and correct copy of the 7th Amendment to the
TIF Plan that was approved by the Tax Increment Financing
Commission of Kansas City, Missouri, by Resolution No. 7-14-06, at a public hearing that was
duly noticed and held on July 12, 2006

[Signature]
Chairman
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SEVENTH AMENDMENT
TO THE
22nd & MAIN
TAX INCREMENT FINANCING PLAN

I. Introduction

This Seventh Amendment to the 22nd & Main Tax Increment Financing Plan (the "Seventh Amendment") shall change the 22nd & Main Redevelopment Plan as approved by the Ordinance No. 980230 (referred to herein as the "Plan") and subsequently amended by the Ordinance No. 991058 (referred to herein as the "First Amendment"), Ordinance No. 000751 (referred to herein as the "Second Amendment"), Ordinance No. 000780 (referred to herein as the "Third Amendment"), Ordinance No. 001593 (referred to herein as the "Fourth Amendment") and Ordinance No. 040445 (referred to herein as the "Sixth Amendment"). The Seventh Amendment provides for: a) revision of Project 19 to reflect the rehabilitation of the Stuart Hall Building, for use as a mixed-use project with commercial uses on the first floor and residential uses on floors 2 – 6, and to define the project's role as a "revenue-generator" for District-Wide Expenses; b) revision of Project 24 and its budget to reflect the rehabilitation of the Morr Transfer Building, 2114 Central, (Project 24-A) and the construction of a parking garage on an adjacent parcel (Project 24-B); c) revision of Project 12 and its budget to reflect rehabilitation of the H.D. Lee Building as Project 12-C consisting of basement parking and commercial uses on floors 1 – 2, and Project 12-R consisting of residential condominiums on floors 3 – 9; d) revision of Project 13 and its budget to reflect construction of a 151-car parking garage with a 1,200 square foot commercial space facing Wyandotte Street; and e) modification of the District-wide Expenses – Public Purpose section of the Estimated Redevelopment budget to reflect the use of revenues from non-reimbursable projects. The Seventh Amendment continues to provide for the rehabilitation of the Freight House Building, the rehabilitation and construction of commercial and residential uses, together with the construction of parking and appurtenances, as well as all necessary utilities, street improvements, and public infrastructure within the expanded Redevelopment Area. To the extent the Plan varies with the Seventh Amendment, said Plan shall be amended and superseded thereby.

II. Specific Amendments

In accordance with this Seventh Amendment, the Plan shall be amended as follows:

**Amendment No. 2:** Insert "Revised Project Descriptions Projects 12-C, 12-R, 13, 19, 24-A, 24-B, and District-Wide Expenses," attached hereto, into Section III.C of the Plan, as a supplement.

**Amendment No. 3:** Delete the first sentence of Section IV.A of the Plan, "Estimated Redevelopment Project Costs," and insert the following in its stead:

Redevelopment Project Costs (Projects 2-27) are estimated to be approximately $176,862,300, of which $59,554,096 will qualify as Reimbursable Project Costs.

**Amendment No. 4:** Delete those portions of Exhibit 5 of the Plan, entitled "Revised Estimated Redevelopment Project Costs (Projects 2-27)," related to Projects 12, 13, 19, 24, and District-Wide Expenses and insert "New Revised Estimated Redevelopment Project Costs (Projects 12-C, 12-R, 13, 19, 24-A, 24-B, and District-Wide Expenses)," attached hereto, in their stead.

**Amendment No. 5:** Delete those portions of Exhibit 6 of the Plan, entitled "Revised Sources and Uses of Funds (Projects 2-27)," related to Projects 12, 13, 19, 24, and District-Wide Expenses and insert "New Revised Sources and Uses of Funds (Projects 12-C, 12-R, 13, 19, 24-A, 24-B, and District-Wide Expenses)," attached hereto, in their stead.

**Amendment No. 6:** Insert the June 5, 2006 "But For" Analysis prepared by Integra Realty Resources, Inc., attached hereto, as a supplement to Exhibit 8.
Amendment No. 1

Exhibit 1
“Revised Legal Descriptions of Projects 12-C, 12-R, 13, 24-A, and 24-B”

Project Area 12-C (Commercial)

A tract of land being part of the Southwest Quarter of the Northwest Quarter of Section 8, Township 49, Range 33, also being part of Block 27, “Goodrich Addition”, a subdivision in Kansas City, Jackson County, Missouri, said blocks are marked and designated on the plat of said Addition now on file and of record in the Office of the Recorder of Deeds within and for Jackson County, Missouri, being described as follows:

Beginning at the Northwest corner of Block 27 in said “Goodrich Addition” thence north 90°00’00” East along the south right of way line of 20th Street, a distance of 160.61 feet; thence South 00°12’14” East, a distance of 138.37 feet; thence South 89°59’28” West, a distance of 160.61 feet to a point on the West line of said Block 27; thence North 00°12’14” West, along the West line of said Block 27, a distance of 138.39 feet to the point of beginning; said tract being more particularly described as follows: property known as the basement floor, the first floor, and the second floor of the existing building, from elevation 92.23 and below being based on Kansas City Missouri datum and being subject to all easements, covenants, rights of way, restrictions and reservations, now of record.

Project Area 12-R (Residential)

A tract of land being part of the Southwest Quarter of the Northwest Quarter of Section 8, Township 49, Range 33, also being part of Block 27, “Goodrich Addition”, a subdivision in Kansas City, Jackson County, Missouri, said blocks are marked and designated on the Plat of said Addition now on file and of record in the Office of the Recorder of Deeds within and for Jackson County, Missouri, being described as follows:

Beginning at the Northwest Corner of Block 27 in said “Goodrich Addition” thence north 90°00’00” East along the south right of way line of 20th Street, a distance of 160.61 feet; thence South 00°12’14” East, a distance of 138.37 feet; thence South 89°59’28” West, a distance of 160.61 feet to a point on the West line of said Block 27; thence North 00°12’14” West, along the West line of said Block 27, a distance of 138.39 feet to the point of beginning; said tract being more particularly described as follows: property known as the third floor, the fourth floor, the fifth floor, the sixth floor, and seventh floor, the eighth floor and the ninth floor of the existing building, from elevation 92.23 and above, being based on Kansas City Missouri datum.

Project Area 13

All of Lots 1, 2 and 3 in Block 20, "Goodrich Addition", a subdivision in Kansas City, Jackson County, Missouri as said block is marked and designated on the plat of said
addition now on file and of record in the office of the Recorder of Deeds within and for Jackson County, Missouri, being more particularly described as follows:

Beginning at the Northwest Corner of Block 27 in said "Goodrich Addition" thence South 00°12'14" East along the West line of said Block 27, a distance of 182.00 feet to the Northwest corner of said Lot 1 and the true point of beginning; thence South 89°55'53" East along the North line of said Lot 1, a distance of 140.50 feet to the Northeast corner of said Lot 1; thence South 00°12'14" East along the East line of said Lots 1, 2 and 3, a distance of 75.00 feet to the Southeast corner of said Lot 3; thence North 89°55'53" West along the South line of said Lot 3, a distance of 140.50 feet to the Southwest corner of said Lot 3; thence North 00°12'14" West along the West line of said Lots 1, 2 and 3, a distance of 75.00 feet to the point of beginning; and being subject to all easements, covenants, rights of way, restrictions and reservations, now of record.

And

Part of the Southwest Quarter of the Northwest Quarter of Section 8, Township 49, Range 33 and part of Block 27, "Goodrich Addition", a subdivision in Kansas City, Jackson County, Missouri, as said block is marked and designated on the Plat of said Addition now on file and of record in the Office of the Recorder of Deeds within and for Jackson County, Missouri, being more particularly described as follows:

Beginning at the Northwest corner of Block 27 in said "Goodrich Addition" thence South 00°12'14" West along the West line of said Block 27, a distance of 138.39 feet to the true point of beginning; thence North 89°59'28" East, a distance of 160.61 feet; thence South 00°12'14" East, a distance of 43.63 feet; thence South 89°31'15" West, a distance of 20.11 feet to the Northeast corner of Lot 1, Block 20 in said "Goodrich Addition"; thence North 89°55'53" West along the North line of said Lot 1, a distance of 140.50 feet to the Northwest corner of said Lot 1; thence North 00°12'14" West a distance of 43.61 feet to the point of beginning; and being subject to all easement, covenants, rights of way, restrictions and reservations, now of record.

**Project 24-A**

Lots 8, 9, 10, 11 and 12, Block 24, Goodrich Addition, a subdivision in Kansas City, Jackson County, Missouri, according to the recorded plat thereof.

**Project 24-B (formerly known as Project 26)**

A part of Lot 1, all of Lots 2 & 3, a part of Lot 4, THE OLD MILWAUKEE YARD SUBDIVISION, a subdivision in Kansas City, Jackson County, Missouri, according to the Boundary Survey recorded as Document Number 2003K0071218, on September 11, 2003, in Book 8, Page 93, at the Recorder of Deeds office in Jackson County, Missouri and a part of the northwest quarter of Section 8, Township 49 North, Range 33 West more particularly described as follows:
BEGINNING at the southeast corner of said Lot 1, (the east line of said Lot 1, having a bearing of N 02°39'22" E); thence N 28°47'59" W, a distance of 94.62 feet to a point on the north line of said Lot 1, said point also being on the south right-of-way line of 22nd Street, thence N 61°12'01" E along said south right-of-way line and north line of said Lot 1, a distance of 57.88 feet to the northeast corner of said Lot 1; thence continuing N 61°12'01" E along said south right-of-way line and the north line of said Lots 2 & 3, a distance of 237.61 feet to the northeast corner of said Lot 3; thence continuing N 61°12'01" E along said south right-of-way line and the north line of said Lot 4, a distance of 15.12 feet; thence S 28°47'59" E, a distance of 120.00 feet; thence S 02°45'12" W, a distance of 15.73 feet to a point on the south line of said Lot 4; thence S 71°50'57" W along said south line, a distance of 4.36 feet; thence S 61°09'24" W, a distance of 298.10 feet; thence N 28°47'59" W, a distance of 38.21 feet to the POINT OF BEGINNING.
Amendment No. 2

Section III.C - Supplement
“Revised Project Descriptions – Projects 12-C, 12-R, 13, 19, 24-A, 24-B, and District-Wide Expenses”

Project 12-C (H.D. Lee Building – Commercial)
The first two floors of the H.D. Lee Building will be rehabilitated as commercial office and retail space, while the basement will be converted for use as indoor parking. This commercial project will generate PILOTS and EATS to support the Project 13 parking garage directly adjacent to the south.

Project 12-R (H.D. Lee Building – Residential)
Floors 3 – 9 of the H.D. Lee Building will be rehabilitated into approximately 118 residential condominiums, while a penthouse condominium will be built on the roof, for a total of 119 condominiums. This residential project will be undertaken as a PLEA tax abatement project, but will be activated as a TIF project in order to capture its PILOTS to help support the Project 13 parking garage and/or District-Wide Expenses in the future.

Project 13 (Parking Garage)
This 151-space parking garage will be built to meet the off-street parking requirements of the residents, employees, and customers of Projects 12-C and 12-R, as well as provide short-term parking for other neighborhood business customers.

Project 19 (Stuart Hall Building)
Originally proposed as a retail and office project, the Stuart Hall Building has been rehabilitated as a mixed-use project, consisting of first floor commercial space and residential units on floors 2-6, using a PLEA tax abatement. This project will be activated as a TIF project in order to capture EATS generated by the commercial uses and PILOTS exclusively for use in District-Wide Expenses.

Project 24-A (Morr Transfer Building)
The D.A. Morr Transfer Building has been rehabilitated for use as commercial space and will generate PILOTS and EATS to support the Project 24-B parking garage across 22nd Street to the south.

Project 24-B (Parking Garage)
An existing 97-space surface parking lot on the south side of 22nd Street, directly across from the D.A. Morr Transfer Building, will be improved through the construction of an additional 193-spaces on two new levels of parking, resulting in a total of 290 parking spaces.

District-Wide Expenses
A range of activities, including streetscape, utilities, Neighborhood Improvement Fund, retention of the arts community, urban design enhancement, public art, and parking improvements, will be undertaken to benefit the entire 22nd & Main TIF. These activities
will be funded through the dedication of 12% of all TIF revenues received from activated TIF projects, as well as all PILOTS and EATS generated by projects undertaken using property tax abatements.
Amendment No. 3

Delete the first sentence of Section IV.A of the Plan, "Estimated Redevelopment Project Costs," and insert the following in its stead:

"Redevelopment Project Costs (Projects 2-27) are estimated to be approximately $176,862,300, of which $59,554,096 will qualify as Reimbursable Project Costs."
Amendment No. 4

Exhibit 5
New Revised Estimated Redevelopment Project Costs (Projects 12-C, 12-R, 13, 19, 24-A, 24-B, and District-Wide Expenses)
### Exhibit 5
**New Revised Estimated Redevelopment Project Costs - Projects 12-C, 12-R, 13, 19, 24-A, 24-B, and District-Wide Expenses**

<table>
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<tr>
<th>District-Wide Expenses - Public Purpose</th>
<th>Estimated Total Project Costs</th>
<th>Reimbursable From TIF Revenues or Other Public Funds</th>
<th>Developer Equity or Private Financing</th>
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**Project 12 C & 12 R**

**H.D. Lee Building**
18,000 sq. ft. office; 16,220 sq. ft. retail/restaurant
119 residential condominiums

| Acquisition Cost                       | 7,250,000                     | 0                                                 | 7,250,000                           |
| Construction                           | 23,883,900                    | 23,883,900                                        |                                     |
| Soft Costs                             | 2,587,500                     | 2,587,500                                         |                                     |
| Financing Costs                        | 2,717,025                     | 2,717,025                                         |                                     |
| Developers Fee                         | 4,200,000                     | 0                                                 | 4,200,000                           |
| Sub-Total                               | 40,638,425                    | 0                                                 | 40,638,425                          |

**Project 13**

**H.D. Lee Parking Garage**
Four-story parking garage with 151-spaces

| Land                                   | 352,000                       | 352,000                                           | 0                                   |
| Construction                           | 3,701,263                     | 3,701,263                                         | 0                                   |
| Contingency                            | 430,600                       | 430,600                                           | 0                                   |
| Project Soft Cost                      | 604,875                       | 604,875                                           | 0                                   |
| Sub-Total                               | 5,088,738                     | 5,088,738                                         | 0                                   |

**Project 19**

**Stuart Hall Building - 2121 Central**
196,469 sq.ft. office; 10,000 sq.ft. retail

<p>| Acquisition                           | 4,943,300                     | 0                                                 | 4,943,300                           |
| Construction Costs                     | 15,987,242                    | 15,987,242                                        | 0                                   |
| Financing Expenses                     | 974,109                       | 974,109                                           |                                     |
| Architect/Engineering/Legal            | 922,672                       | 922,672                                           | 0                                   |
| Environmental                          | 0                             | 0                                                 | 0                                   |
| Project Administration                 | 535,662                       | 0                                                 | 535,662                             |
| Streetscape/Lighting                   | 0                             | 0                                                 | 0                                   |
| Public Art                             | 100,000                       | 0                                                 | 100,000                             |</p>
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### Project 24-B

**Parking Garage**

Three - level parking garage with 290-spaces

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Amendment No. 5

Exhibit 6
New Revised Sources and Uses of Funds
for all Estimated Redevelopment Project Costs
(Projects 12-C, 12-R, 13, 19, 24-A, 24-B, and District-Wide Expenses)

A. SOURCE OF FUNDS FOR ALL
ESTIMATED REDEVELOPMENT PROJECT COSTS

1. Estimated Amount of Reimbursable
   Costs from PILOTS and Operation
   And Activity Taxes within the specified
   Redevelopment Project Areas $15,298,351

2. Estimated Private Investment and
   Other Sources within specified
   Redevelopment Project Areas $73,525,206

TOTAL $88,823,557
Amendment No. 6

Exhibit 8 — "But For" Supplement
CONSULTING SERVICE

22ND & MAIN TIF PLAN
SEVENTH AMENDMENT
KANSAS CITY, MISSOURI 64108

PREPARED FOR:
MR. ROBERT LONG
ECONOMIC DEVELOPMENT CORPORATION
OF KANSAS CITY, MISSOURI
10 PETTICOAT LANE, SUITE 250
KANSAS CITY, MISSOURI 64106-2103

EFFECTIVE DATE OF THE ASSIGNMENT:
JUNE 5, 2006

INTEGRA REALTY RESOURCES - KANSAS CITY
FILE NUMBER: 119-2006-0316
June 6, 2006

Mr. Robert Long
Economic Development Corporation
Of Kansas City, Missouri
10 Petticoat Lane, Suite 250
Kansas City, Missouri 64106-2103

RE: Consulting Service: Review of TIF Submission
22nd and Main TIF Plan
Seventh Amendment
Kansas City, Missouri 64108
Integra Realty Resources – Kansas City File No: 119-2006-0316

Dear Mr. Long:

Pursuant to your authorization, I have completed a consulting service relating to the above-captioned redevelopment project. This consulting service has been completed in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP) and the Standards of Professional Practice of the Appraisal Institute. The effective date of my consulting service was June 5, 2006. All pertinent exhibits to this assignment and my qualifications are included in the body of report.

The 22nd and Main TIF Plan was one of the first in the Kansas City Area. There are 27 Project areas identified in the original Plan. Five Plan amendments have been approved by the TIF Commission, on amendment was withdrawn prior to City Council approval and the Seventh is being considered here. This report will address only Project 12, the H.D. Lee Building and Project 24 B, 2114 Central. Project 12 is, with some variation much the same as the original plan. It has 132,000 SF of multifamily rental space, 22,000 square feet of office space, and $18,348 square feet of restaurant/retail space. Also, there is a 151 car parking garage.

Project 24 B was originally named Project 26 and is now a parking lot. There is ground level parking with 97 spaces completed and there are two proposed decks totaling 193 spaces for a total, upon completion, of 290 parking spaces.
My financial analysis in the following pages will demonstrate that certainly by the measure typically employed for private redevelopment, the project does not generate adequate cash flow, even with the non-realty TIF benefits accruing to the redeveloper. As such, a private redeveloper would not consider the project. The analysis shows that these benefits described herein are necessary to recoup the reimbursable costs and provide a nominal level of debt service. My analysis demonstrates that but for the non-realty benefits of PILOTS and EATS accruing to the Developer, neither Project 12 nor 24 B would likely occur.

Given the unique nature of the entire Redevelopment Plan, I state on Page 5 several specific assumptions and limiting conditions under which my conclusions herein have been reached.

If you have any questions or comments regarding our analysis or this report, please contact the undersigned. Thanking you for the opportunity to be of service, I remain,

Very truly yours,

INTEGRA REALTY RESOURCES, KANSAS CITY

[Signature]

Kenneth Jaggars, MAI
Managing Director
Certified General Real Estate Appraiser
Missouri Certificate #RA 003190
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<tr>
<td>Qualifications of Appraiser(s)</td>
<td>Addendum A</td>
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CERTIFICATION

The analyst certifies that, to the best of his knowledge and belief:

1. The statements of fact contained in this report are true and correct.

2. The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions and are the analyst’s personal, unbiased professional analyses, opinions and conclusions.

3. The analyst has no present or prospective interest in the property that is the subject of this report and no personal interest or bias with respect to the parties involved. The services performed herein are intended to result in an analysis, opinion or conclusion of a disinterested third party. This analysis has been conducted on an arms-length basis subject to the Standards of Professional Practice (USPAP) and the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute.

4. The analyst’s compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result or the occurrence of a subsequent event.

5. Receipt of the assignment was not based upon a requested minimum value, a specific value or result or approval of a loan.

6. The analyst’s analyses, opinions and conclusions were developed and this report has been prepared in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP). The analyst has not relied upon any departure provision of USPAP.

7. The analyst’s analyses, opinions and conclusions were developed and this report has been prepared in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute.

8. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

9. The context of the consulting service and the scope of the assignment do not require an inspection of the improvements currently existing on the subject site. Kenneth Jaggers has personally inspected the redevelopment area on several occasions over the past year, most recently on June 5, 2006.
10. No one provided significant professional assistance to the person signing this report.

Kenneth Jaggers, MAI
Certified General Real Estate Appraiser
Missouri Certificate #RA 003190
ASSUMPTIONS AND LIMITING CONDITIONS

This consulting report is subject to the following general assumptions and limiting conditions:

1. Title to the property is assumed to be good and marketable and the legal description correct.

2. No responsibility for legal matters is assumed. All existing liens, mortgages or other encumbrances have been disregarded and the property is appraised as though free and clear, under responsible ownership and competent management.

3. All sketches in this report are intended to be visual aids and should not be construed as surveys or engineering reports.

4. All information in this report has been obtained from reliable sources. I cannot, however, guarantee or be responsible for the accuracy of information furnished by others.

5. This opinion of value applies to land and improvements only. The value of trade fixtures, furnishings and other equipment has not been included with the value of the real estate.

6. Possession of this report or a copy thereof does not imply the right of publication or use for any purpose by any other than the addressee without the written consent of we.

7. I am not required to give testimony or attendance in court by reason of this consulting assignment, unless prior agreements have been made in writing.

8. The distribution of the any valuation in this report between land and improvements applies only to the existing utilization. The separate valuations for land and building must not be used in conjunction with any other value conclusions and are invalid if so used.

9. The land, and particularly the soil, of the area under appraisement appears firm and solid. Subsidence in the area is unknown or uncommon, but I do not warrant against this condition or occurrence.

10. Subsurface rights (minerals and oil) were not considered in completing this assignment.

11. I did not inspect the building involved in this assignment and damage, if any, by termites, dry rot or other infestations was reported as a matter of information and no guarantee of the amount or degree of damage, if any, is implied.
12. The market data relied upon in this assignment is believed to be from reliable sources; however, it was not possible to inspect the comparables completely, and it was necessary to rely on information furnished by others as to said data; therefore, the cash flow and yield conclusions are subject to the correctness and verification of said data.

13. I have inspected, as far as possible, by observation, the land and the improvements thereon; however it was not possible to personally observe conditions beneath the soil or hidden structural components within the improvements, therefore, no representations are made herein as to these matters and unless specifically considered in the report, the value estimate is subject to any such conditions that could cause a loss in value. Condition of heating, cooling, ventilating, electrical and plumbing equipment is considered to be commensurate with the condition of the balance of the improvements unless otherwise stated.

14. Neither all nor any part of the contents of this report shall be conveyed to the public through advertising, public relations, news, sales or other media, without the written consent and approval of the authors, particularly as to valuation conclusions, the identity of me or this firm with which they are connected or any reference to the Appraisal Institute.

15. Unless otherwise stated in this report, the existence of hazardous substances, including without limitation, asbestos, polychlorinated biphenyls, petroleum leakage, or agricultural chemicals, which may or may not be present on the property, or other environmental conditions, were not called to the attention of nor did I become aware of such during inspection. I have no knowledge of the existence of such materials on or in the property unless otherwise stated. We, however, are not qualified to test such substances or conditions. If the presence of such substances, such as asbestos, urea formaldehyde, foam insulation or other hazardous substances or environmental conditions, may affect the value of the property, the value estimated is predicated on the assumption that there is no such condition on or in the property or in such proximity thereto that it would cause a loss in value. No responsibility is assumed for any such conditions, nor for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in the field of environmental impacts upon real estate if so desired.

16. I am not considered expert with regard to compliance with the Americans with Disabilities Act (ADA) of 1991. Unless otherwise stated, no responsibility is assumed for any non-compliance with the provision of the ADA. The client is urged to retain an expert in the field of ADA assessment impacts upon real estate if so desired. As the improvements will be new construction, I presume them to be ADA compliant upon completion.
SPECIAL ASSUMPTIONS AND LIMITING CONDITIONS

The following extraordinary assumptions and hypothetical conditions have been specifically established for this consulting report:

1. It is an extraordinary assumption that anyone relying on this consulting report is familiar with the applicant's TIF submission and the 22nd and Main TIF Plan.
GENERAL INFORMATION

PURPOSE AND EFFECTIVE DATE

The purpose of the consultation is report to the client the reasonableness of the Applicant's request for Tax Increment Financing and to develop and report my opinion of the Applicant's internal rate of return, applying the "but for" test to the Project. The effective date of this consultation is June 5, 2006. Unless otherwise stated, all factors pertinent to a determination of value have been considered as of this date.

INTENDED USE AND INTENDED USER

This report has been prepared for the Economic Development Corporation of Kansas City Missouri for use in the client’s consideration of the aforementioned redevelopment project.

SCOPE OF APPRAISAL

As part of this consulting assignment, I have taken the following steps to gather, confirm, and analyze relevant data.

- Although a physical inspection of the property is not a requirement of this type of report, I have, on several occasions since receiving this assignment inspected the subject property from the street and the surrounding neighborhood. My most recent inspection was on June 6, 2006.

- Collected factual information about the redevelopment area and reviewed the Applicant’s submission.

- Collected, confirmed and analyzed market information.

- Prepared a consulting report setting forth the conclusions developed in this analysis as well as the information upon which the conclusions are based.

This is a consulting assignment reported in a summary report that conforms to the requirements of the Uniform Standards of Professional Appraisal Practice (USPAP), the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
REVIEW OF THE APPLICANT'S ANALYSIS

The first step in performing my duties as outlined in the scope of services above is to review the Plan submitted by the Applicant and comment on its relation to the Commission’s objectives as outlined to me.

Projects 12 and 24 B, as part of the 22nd and Main TIF Plan 1) eliminate adverse conditions detrimental to public health, 2) enhance the tax base and encourage private development, 3) increase employment opportunities and 4) stimulate development which will not occur without the Tax Increment Financing Assistance.

In keeping with my scope of services I have completed a financial analysis on Project Areas 12 and 24 B of the 22nd and Main TIF Plan. I have reviewed the project cost estimates and the applicant’s operating projections. I have retained all aspects of the applicant’s forecast that are market-supported and reasonable. If necessary, I have amended or supplemented unreasonable assumptions with reasonable, market-oriented assumptions. The following is a summary of my analysis:

PROJECT COST DETAIL

The redevelopment cost of Project 12 is $25,232,763 as reported in previous amendments to the Plan. The redevelopment cost for Project 24 B that I use in this analysis is the cost of the new portion per space, allocated over the entire project for a total of $5,253,057.

OPERATING PROFORMA

I have reconstructed the Applicant’s operating proforma and include my analysis in the following pages. I include in this the sale of the property at the end of the anticipated holding period. The reversion reflects the market sale of the project in its then condition at the end of the holding period, be that the full term of the TIF or something less. We adjust for anticipated selling costs to achieve a net reversion price.

Project 12, the H.D. Lee Building is shown first, followed by Project 24 B, 2114 Central.
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<th>Without TIF</th>
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<td>$1,432,720</td>
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<td>$1,397,598</td>
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<td><strong>With TIF</strong></td>
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Cash Flow Statement

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| BRR | 7.43% |
TAX INCREMENTS/OTHER NON-REALTY BENEFITS

Shown below is a discussion of the Applicant's forecast of TIF revenue expectations. We have amended the Applicant's projections where necessary to reflect the market and the demonstrated history of the assessing authority. We include here all non-realty benefits that are reasonably available and can be identified as expected to accrue to the project.

For Project 24 B, the Applicant forecasts a total of $5,226,428 (net to the Applicant) in TIF revenue of the remainder of the 23 years. This includes $400,000 of Accumulated TIF that is to be paid to the Applicant during 2006. The total reimbursable costs for 24 B are estimated to be over $9,000,000.

For Project 12, the Applicant forecasts a total of $5,046,357 in TIF revenue for the 23 year TIF eligibility period. This is the amount net to the Applicant. The total reimbursable costs far exceed the TIF revenues generated.

TESTS OF REASONABLENESS

YIELD MEASUREMENT (METHODOLOGY)

Often, the best measure of yield in my opinion is the "internal rate of return", which takes into account both the annual income derived as cash flow as well as the potential return from a hypothetical sale of the land and building improvements at the end of the forecast period. Definitions from the third edition of *The Dictionary of Real Estate Appraisal* are included below:

**Yield:** A rate of return on capital, usually expressed as a compound annual percentage rate. A yield rate considers all expected property benefits including the proceeds from sale at the termination of the investment. Yield rates include the interest rate, discount rate, internal rate of return (IRR), overall yield rate \( (Y_{sub \theta}) \) and equity yield rate.

**Overall Yield Rate:** The rate of return on the total capital invested, including both debt and equity. The overall yield takes into consideration changes in the net income over the investment period and net reversion at the end of the holding period; it is applied to cash flow before debt service.

**Internal rate of return (IRR):** The annualized yield rate or rate of return on capital that is generated or capable of being generated within an investment or portfolio over a period of ownership. The IRR discounts all returns from the investment, including returns from its termination, to equal the original capital outlay.

In the "but for" analysis I determine the subject's IRR, that rate of discount that makes all returns from the investment, including its termination, equal to the original capital outlay. I then measure that IRR against the overall yield rate from the market. The overall yield rate is the rate of return used by buyers to determine the present worth or purchase price of an investment. The overall yield includes consideration of the cost and availability of
permanent financing. Whether determining overall yield or internal rate of return, the entire project costs are used.

CONCLUSION

The overall yield analysis, presented here as the IRR takes into account that the Applicant's will have access to and will use market rate financing as real estate is bought and held with leverage.

Project 12:  Without TIF  4.56%  With TIF - 5.69%

Project 24 B: Without TIF - 1.03%  With TIF - 7.43%

We can compare Project 12 to market indicators. As shown in the chart below, the average CBID discount rate is 8.97% as of 4th Quarter 2005. The survey data is comprised of major metropolitan areas where there are an abundance of transactions. Additional risk factors to Project 12 include the mixed use and Kansas City location as compared with the major markets with adequate velocity and volume of transactions to measure return. Thus, the 5.69% yield generated by Project 12 falls below the market threshold and the project satisfies the but for test.

MULTIFAMILY DISCOUNT RATE TRENDS

Source: Kerpez Real Estate Investor Survey - National Apartment Market

There is very little in the way of meaningful comparable or survey information to compare directly to Project 24 B, the parking garage. These trade infrequently as stand alone investments. However, when sold along with other commercial property such as urban residential or office properties, the parking garage component contributes to the return to the investor at a level similar to that of the primary use. Thus, we expect the same yield parameters for the garage and find that its 7.43% yield with the TIF benefit.
still falls below the level expected for a CBD Kansas City property. Thus, Project 24 B satisfies the but for test.
ADDENDUM A

ANALYST’S QUALIFICATIONS
PROFESSIONAL QUALIFICATIONS
KENNETH JAGGERS, MAI

EXPERIENCE:
Mr. Jaggers, Managing Director, has been with Integra Realty Resources – Kansas City, since May 1993. He started his career in commercial real estate in 1987 as an investment officer with a subsidiary of Metropolitan Life in Overland Park, Kansas then in the Washington D.C., and Boston, Massachusetts’s offices. In 1991, Mr. Jaggers joined BankBoston and served as a review and field appraiser for two years. Duties included quality control over two acquired banks in Maine and Vermont.

In 1993 Mr. Jaggers returned to Kansas City as a Senior Analyst for Integra Realty Resources – Kansas City. Since that time he has completed appraisals on commercial properties of all types, primarily for institutional investors and litigation support. Significant appraisal assignments in 2003 and 2004 include the 1,140,000 SF IRS Processing facility and 2345 Grand Avenue in Kansas City’s Crown Center, Sprint’s former corporate headquarters In Shawnee Mission, Kansas, and the Black & Veatch headquarters in Overland Park, Kansas. Mr. Jaggers completed major eminent domain assignments in 2004. He appraised a total of 53 Kansas City CBD tracts for acquisition of sites for the H&R Block/Kansas City Live project and for the Sprint Arena Project. He also completed an appraisal assignment totaling 57 industrial properties in the Kansas City area in 2003 and 2004. In 2005, Mr. Jaggers managed a 39 property industrial portfolio for a major investment bank. The properties were located from Arizona to New Jersey and totaled 6.2 million square feet.

LITIGATION EXPERIENCE:
Mr. Jaggers has performed appraisal services and/or provided expert trial or deposition testimony in many legal proceedings, including the following: State of Kansas vs. Westgate, LC 04 C 214, Moore v. United States No. 93-134 L, Illig v. United States 98-934L, Randolph and Kelly Akers v. City of Oak Grove, MO 02CV233809, Colliers v. City of Oak Grove, MO 03CV233403, NT Realty v. APW CV 1886 749CC, Gailloyd Enterprises v Centeralment 99-CV-5115, Allen v. Zurova et al 00CV18291.

EXPERIENCE WITH MUNICIPALITIES/ADMINISTRATIVE BODIES:
Mr. Jaggers has provided expert testimony to a number of taxing authorities, city councils, boards of planning and zoning, commissioner’s hearings, and bodies providing public finance (TIF and Tax Abatement). His expertise is sought by the administrative bodies and by the private developers. Major projects include the 557 acre proposed Parvin Road Corridor TIF Plan for Hunt Midwest in Clay County; the Performing Arts District and Kansas City Public Library Central Library Projects, both in Kansas City, Missouri.

PROFESSIONAL ACTIVITIES:
Member of the Appraisal Institute 2004, Director Kansas City Chapter Westwood City Planning Commission, Westwood View Education Enhancement Fund Advisory Council.

STATE LICENSES:
State of Iowa Certified General Real Property Appraiser (CG02446)
State of Kansas Certified General Real Property Appraiser (G-969)
State of Missouri Certified General Real Estate Appraiser (RA 003190)
State of Nebraska Certified General Real Estate Appraiser (CG975204)

EDUCATION:
Bachelor of Arts (1983) Chadron State College, Chadron, Nebraska
Economics and Marketing, Minor in Business Administration

APPRaisal TRAINING:
Mr. Jaggers has successfully completed numerous Appraisal Institute courses and attended seminars in keeping current, the educational and professional work product requirements of the Appraisal Institute and states in which he is licensed. Completed 3rd Party Multifamily Accelerated Processing (MAP), September 16, 2002.

January 20, 2006
INVESTMENT BANKS, BANKS, S & L & MORTGAGE COMPANIES

AMCO
Alien Bank & Trust
Allied Irish Bank
American Real Estate Group
Amarc National
Altra Corporation
Bank of America
Bank of Bellin
Bank of Blue Valley
Bank of Boston
Bank of Juncos
Bank Midwest
Bank of Odessa
Bank of Prairie Village
Banker's Bank
Bayway Financial
Beneficial Finance Co.
Brotherhood Bank & Trust
Capital Federal
Capital City Bank
Central Bank of Kansas City
Chase Manhattan Bank
CIT Financial Savings
Citigroup
Citizens Bank & Trust
Clay County Savings & Loan
Collateral Mortgage
Commerce Bancshares
Commerce Bank & Trust
Country Club Bank
Credit Union of America
CS First Boston
Douglas Bank
Enterprise Banking
Exchange National Bank
Farmers Exchange Bank
Federal Employee Credit Union
First Bank of Missouri
First National Bank
First National Bank of Chicago
First National Bank of Olathe
First Nationwide Bank
First State Bank
GMAC Commercial Mortgage
Gold Bank
Hillcrest Bank
Household Finance Corporation
Industrial State Bank
Ironbeary Funding
Intertrust Bank
James B. Nutter Company
Johnson County Credit Union
KeyBank
Landmark Bank
LaSalle Bank
Mission Bank
Missouri Bank & Trust
North American Savings
Old Second National Bank
Peoples Bank
PNC Bank
Security Bank
Security Financial
USB
US Bank
Valleym Vowo State Bank
Wachovia
Wells Fargo

DEVELOPERS

RESIDENTIAL REALTORS

Century 21
Coldwell Banker Real Estate
Crown Realty, Inc.
Eugene D. Brown Realtors
Realse & Nichols
Prudential
RE/MAX Realtors

DEVELOPERS – COMMERCIAL REALTORS

Amerco Advisors
ATR Investment Management Co.
B A Kamraw & Company
Black & Company
Bryan Commercial Realty
Bryanhill Development
CS Commercial
Century Redevelopment
Citi Holdings
Collins, Turley, Martin
Cramer-Kailey Real Estate
Coakle, White & Dietz
Colson & Company
Dean Realty
Fishman & Company
Guth & Ellis
Freeman Investments
Highwoods Realty L.P.
Koll
I & A Safie Advisors
Ilinen Realty
Management Associates
Moorhead
Moorhead Real Estate
NOMURA
North Star Development
Price Brothers
Prestige Property of America
R.J. Sullers & Co.
Realvest, Inc.
RED Development
Reliance Management Co.
RHMJ Corporation
RMV Development Company
Rutan & Company
Salvation Army
Senior Bowen
Tower Properties
Trammell Crow
Varnum/Armstrong/Deets
Zimmer Companies

CORPORATIONS

ABC
Amesgur Busch Co., Inc.
Ashgrove Cement
Athens Corporation
Aventis
B.C. Christopher Securities
Baird, Kuntz & Deigaro
Barclays Capital
Bear Stearns & Co., Inc.
Black & Veatch
BP Products
Barns & McDonnell
Butler Manufacturing Co.
Cemer Corporation
Custom Color
De Itofe & Touche LLP
Dodson Group
DST Systems, Inc.
Employee Relocation Council
Equiva Services
Fairland Industries, Inc.
Ford Motor Company
G&E Capital
General Motors Corporation
George K. Braun & Company
Greystone Graphics
Hall Foundation
Hallmark Cards, Inc.
Health Midwest
Heohecht Marion Rousell
Hunt-Midwest
J.C. Penney Company
J.E. Dunn Construction Co.
John Deere & Company
Kaiser & Company
KHM, LLP
Kansas City Power & Light
Kansas City Southern Industries
Kraft Foods
Lab One
The Marley Company
Marshall Medical Center
Marshall, Lynch, Horrocks, Ferrier & Smith, Inc.
Marshall Lynch-Hellocott
Michelin
Mid-KC Memorial Hospital
Midwest Medical Center
Midwest School District
Price Waterhouse Cooper
Property Tax Representatives
Puritan Bennett Corporation
Research Medical Center
Saint Joseph Health Center
St. Luke's Hospital of KC
Shawnee Mission USD 512
Sherman, Lehman Brothers/C.
F. Hallam
Shear CUSP
Southwestern Bell Telephone
Sprint
Standard Havens, Inc.
Stam Brothers & Company
American Airlines
Trinity Lutheran Hospital
United Telecommunications, Inc.
Utilcorp
KU Medical Center
Yellow Freight Systems, Inc.

INSURANCE COMPANIES

Aetna Insurance
Allstate Insurance Co.
American Family Insurance
American Fidelity Assurance
Amerine Life Insurance
Commercial Union Insurance Co.
Coles
KCI Life Insurance Company
Metropolitan Life
Mutual of New York
New York Life
Northwestern Mutual Life
Prudential Financial
State Farm
SYRS of Ohio
TIAA-CREF
Trannsamer Life Insurance
Amegy Company
Travellers Insurance
Travelers Pension Fund
Union Labor Life Insurance
USAA
Zurich of America Insurance Co.

STATE & FEDERAL GOVERNMENT

City of Blue Springs, Missouri
City of Branson, Missouri
City of DeSoto, Kansas
City of Topeka, Kansas
City of Gardner, Kansas
City of Gladstone, Missouri
City of Grandview, Missouri
City of Independence, Missouri
City of Kansas City, Kansas
City of Kansas City, Missouri
City of Kawron, Kansas
City of Lenexa, Kansas
City of Liberty, Missouri
City of Manhattan, Kansas
City of Merriam, Kansas
City of Olathe, Kansas
City of Overland Park, Kansas

City of Prairie Village, Kansas
City of Raytown, Missouri
City of Shawnee, Kansas
City of Springfield, Missouri
City of Topeka, Kansas
City of Westwood, Kansas
County Commissioners - Johnson County, Kansas
Cubitat UAF
Department of HUC
Department of the Navy
Economic Development Corp.
Farm Credit Services
FASA
FHLBN
FNA
Franklin County Commissioners
GSA
Internal Revenue Service
Johnson County, Kansas
Johnson County District Court
Johnson County Parks & Recreation
Johnson County Subsistence
KANSAC
KCI
KCI Port Authority
KC, Redevelopment Authority
KCMO School District
Kansas Dept. of Transportation
Kansas Public Employees
LCRA
Midwest Electric System
MOS
MOSAIC
RTC
University of Missouri
United States Postal Service
USD

LAW FIRMS

Armstrong, Teasdale, LLP
Blackwell Sanders, et al.
Bryan Cave, LLP
Buchalter, Nemeroff
Foster & Jester, P.C.
Foth & O'mick, LLP
Humphrey, Farrington & McClain
Husch & Eppenberger, LLP
King, Horace, P.C.
King & Woods, P.C.
Lathrop & Paige, LC
Lewis, Ritts & Fingarh, LC
Low, Farmer, Bacon & Rose
McManus, Van Cleeve & Phillips, PA
McComb, Adam & Long
McDonald, Rice, Smith & Oswald
Metz, Wainwright & Brown, P.C.
Norton, Hubbard, Rozicka & Kremer, P.C.
Kiegel & Kiegel, P.C.
Payne & Jones, O.C.
Pollinelli Skothen Wielke Selthe
Sanderson, Conkright & Warn, LLP
Schlesinger, Goodman, et al.
Sherman, Taff & Bunce, P.C.
Shoich, Hardy & Bacon, LLP
Shugart, Thomson & Kirby, P.C.
Siegfried, Bingham, Levy, Selzler & Gee, P.C.
Sonnenwirth, Nath & Rosenhill, LLP
Spencer Fane, Brill & Brown, LLP
Stevens, Morrison, Hecker, LLP
Wallace, Saunders, et al.
White Goss Bowers, et al.
Wynick, Hobbs & Mielech, P.C.

11-18-05
CORPORATE PROFILE

Integra Realty Resources, Inc. is the largest property valuation and counseling enterprise in the North America, with 53 offices in 31 states and Mexico. On average, an Integra office has 30 years of local service and is led by a Managing Director holding an MAI designation and having an average of 35 years of experience. Combined with a national delivery platform, our philosophy is “Local Expertise...Nationally.”

Integra offers a single point of contact to coordinate your assignments and communicate the unique nature of the real estate and/or your special requirements. Each local office offers the most advanced methods of analysis, our unique national database comprised of sales, rental/lease information, operating expenses, and all delivered to you as the client in a standardized reporting product for ease of review and presentation.

Integra Realty Resources, Inc. has over 130 professionals who hold the Appraisal Institute’s MAI designation, of which 23 are CRE members of The Counselors of Real Estate. In addition to having expertise in core commercial property types, many Integra professionals have extensive experience in specialty property classes including regional malls, hotels, senior housing, healthcare facilities, and capital markets.

A listing of Integra’s local offices and their Managing Directors follows:

ATLANTA, GA - J. Carl Schulte, Jr., MAI, SRA, CRE
ATLANTIC COAST, NJ - Anthony S. Graziano, MAI, CRE
AUSTIN, TX - Randy A. Williams, MAI
BALTIMORE, MD - G. Edward Kerr, MAI
BOSTON, MA - David I. Cary, MAI, SRA, CRE
CHARLOTTE, NC - Fitzhugh L. Stout, MAI, CRE
CHICAGO, IL - Gary K. DeClark, MAI, CRE
CHICAGO, IL - Jeffrey G. Pfeifer, MAI
CINCINNATI, OH - Gary S. Wright, MAI, SRA
COLUMBIA, SC - Michael B. Dodds, MAI, CCIM
COLUMBUS, OH - Eric E. Bellfrog, MAI, CRE, ISHC
DALLAS, TX - Mark R. Lamb, MAI, CPA
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DENVER, CO - Brad A. Weiman, MAI
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HOUSTON, TX - David R. Domay, MAI
INDIANAPOLIS, IN - Michael C. Luey, MAI, SRA, CCIM
KANSAS CITY, MO/KS - Kenneth Loggers, MAI
LAS VEGAS, NV - Sholly J. Lowe, MAI, SRA
LOS ANGELES, CA - John G. Ellis, MAI
LOUISVILLE, KY - George M. Chapman, MAI, SRA, CRE
MEMPHIS, TN - J. Walter Allen, MAI
MIAMI, FL - Michael Y. Cannon, MAI, SRA, CRE
MILWAUKEE, WI - Sean Reilly, MAI
MINNEAPOLIS, MN - Michael F. Anandson, MAI, CCIM
MORGANTOWN, WV - Thomas A. Matus, MAI
NAPLES, FL - Thomas Tippett, MAI
NASHVILLE, TN - R. Paul Persell, MAI, SRA
NEW YORK, NY - Raymond T. Cez, MAI, CRE
NORTHERN NJ - Barry J. Kerner, MAI, CRE
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ORLANDO, FL - Charles J. Lenz, MAI
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PHOENIX, AZ - Walter Wims, Jr., MAI, CRE
PITTSBURGH, PA - Paul D. Griffith, MAI
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RICHMOND, VA - Robert R. Colby, MAI, CRE
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SAN ANTONIO, TX - Martyn C. Glenn, MAI, CRE, FRICS
SAN FRANCISCO, CA - Jan Kloczewski, MAI
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SAU虞NAH, GA - Carl Schulte, Jr., MAI, SRA, CRE
SEATTLE, WA - Allen N. Sauer, MAI
SYRACUSE, NY - William J. Kimball, MAI
TAMPA, FL - Bradford L. Johnson, MAI
TULSA, OK - Robert L. Gray, MAI
WASHINGTON, DC - Patrick C. Kerr, MAI, SRA

For more information, please contact: Megan Uhr, Marketing Director at 212-255-7858 Extension 2007

Updated 11-4-05
Tab A
Project 24-B
# 2114 Central, LLC
Parking Garage
Estimated Redevelopment Project Costs
Schedule A

<table>
<thead>
<tr>
<th>Description</th>
<th>Total Costs</th>
<th>Reimbursable Costs</th>
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</thead>
<tbody>
<tr>
<td>Land Acquisition</td>
<td>$</td>
<td>$</td>
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<tr>
<td>Street Improvements, Landscaping, and Utility Relocation</td>
<td>210,000</td>
<td>210,000</td>
</tr>
<tr>
<td>Parking Structure</td>
<td>2,900,000</td>
<td>2,900,000</td>
</tr>
<tr>
<td>Professional Services &amp; Other Soft Costs</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Architect, Engineering &amp; Project Management Fees</td>
<td>311,000</td>
<td>311,000</td>
</tr>
<tr>
<td>Legal Fees</td>
<td>25,000</td>
<td>25,000</td>
</tr>
<tr>
<td>Contingency</td>
<td>50,000</td>
<td>50,000</td>
</tr>
<tr>
<td>Total Professional Services &amp; Other Soft Costs</td>
<td>386,000</td>
<td>386,000</td>
</tr>
<tr>
<td>Total before TIF Commission, Estimated Fees, &amp; Expenses and Cost to Carry</td>
<td>3,496,000</td>
<td>3,496,000</td>
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<tr>
<td>Costs per Parking Space</td>
<td>$ 12,055</td>
<td></td>
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<tr>
<td>TIF Commission Fees (5%) &amp; NID Estimated Fees (12%) &amp; Est. Direct Expenses</td>
<td>1,177,520</td>
<td>1,177,520</td>
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<tr>
<td>Cost of Carry for TIF Purposes</td>
<td>4,457,400</td>
<td>4,457,400</td>
</tr>
<tr>
<td>TOTAL</td>
<td>$ 9,130,920</td>
<td>$ 9,130,920</td>
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</tbody>
</table>

Percentage of reimbursable costs to total costs: 100.0%

**Note:** All costs are preliminary estimates based upon conceptual drawings.

**Financing Assumption:** A line of credit with rates at 7.5% per annum.
## Cash Flow Statement

<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td>Parking Revenue (1)</td>
<td>$ 1,114,000</td>
<td>$ 1,082,000</td>
<td>$ 1,046,000</td>
<td>$ 1,010,000</td>
<td>$ 974,000</td>
<td>$ 939,000</td>
<td>$ 904,000</td>
<td>$ 869,000</td>
<td>$ 834,000</td>
<td>$ 801,000</td>
<td>$ 768,000</td>
<td>$ 735,000</td>
<td>$ 702,000</td>
<td>$ 669,000</td>
<td>$ 636,000</td>
<td>$ 603,000</td>
<td>$ 569,000</td>
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<tr>
<td>Net Income</td>
<td>$ 405,000</td>
<td>$ 379,000</td>
<td>$ 353,000</td>
<td>$ 327,000</td>
<td>$ 301,000</td>
<td>$ 276,000</td>
<td>$ 251,000</td>
<td>$ 226,000</td>
<td>$ 201,000</td>
<td>$ 176,000</td>
<td>$ 151,000</td>
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<td>$ 101,000</td>
<td>$ 76,000</td>
<td>$ 51,000</td>
<td>$ 26,000</td>
<td>$ 0</td>
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</tbody>
</table>

### Notes:
1. Parking Revenue is estimated at $1,000,000 per month with estimated annual increases of 10% per month.
2. Net Income is estimated at $400,000 per month with estimated annual decreases of 5% per month.
3. The second name includes both the first name and the last name.
4. The total amount is estimated to be $5,000,000 per month.
## Income Statement

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<thead>
<tr>
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</thead>
<tbody>
<tr>
<td>Parking Expenses ($)</td>
<td>166,990</td>
<td>159,790</td>
<td>164,360</td>
<td>164,360</td>
<td>164,360</td>
<td>164,360</td>
<td>164,360</td>
<td>164,360</td>
<td>164,360</td>
<td>164,360</td>
<td>164,360</td>
<td>164,360</td>
<td>164,360</td>
<td>164,360</td>
</tr>
<tr>
<td>Net Operating Income</td>
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<td>211,630</td>
<td>224,000</td>
<td>222,020</td>
<td>220,060</td>
<td>218,890</td>
<td>226,980</td>
<td>226,930</td>
<td>226,950</td>
<td>226,940</td>
<td>226,940</td>
<td>226,940</td>
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<tr>
<td>Interest Expense</td>
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<td>181,300</td>
<td>181,300</td>
<td>181,300</td>
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## Cash Flow Statement

<table>
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</thead>
<tbody>
<tr>
<td>Net Income</td>
<td>$24,412</td>
<td>$21,710</td>
<td>$5,170</td>
<td>$8,120</td>
<td>$12,680</td>
<td>$17,330</td>
<td>$22,160</td>
<td>$22,200</td>
<td>$22,240</td>
<td>$22,280</td>
<td>$22,320</td>
<td>$22,360</td>
<td>$22,400</td>
<td>$22,440</td>
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<td>TIF Reimbursements</td>
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<td>290,000</td>
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<td>290,000</td>
<td>290,000</td>
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<tr>
<td>Payments on Line of Credit</td>
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<td>(279,000)</td>
<td>(281,000)</td>
<td>(283,000)</td>
<td>(285,000)</td>
<td>(287,000)</td>
<td>(289,000)</td>
<td>(291,000)</td>
<td>(293,000)</td>
<td>(295,000)</td>
<td>(297,000)</td>
<td>(299,000)</td>
<td>(301,000)</td>
<td>(303,000)</td>
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<tr>
<td>Cash Flow</td>
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<td>$32,710</td>
<td>$14,170</td>
<td>$15,120</td>
<td>$17,680</td>
<td>$18,330</td>
<td>$13,160</td>
<td>$13,200</td>
<td>$13,240</td>
<td>$13,280</td>
<td>$13,320</td>
<td>$13,360</td>
<td>$13,400</td>
<td>$13,440</td>
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</table>

## Assumptions - See Schedule B

- TIF Assistance
- $30,000,000
- 2019-2023
- 6% Interest Rate
## 2114 Central, LLC

### Estimated Economic Activity Taxes (EATs) & Payments In Lieu of Taxes (PILOTs) Schedule D

<table>
<thead>
<tr>
<th>TIF Plan Year</th>
<th>Calendar Year</th>
<th>Estimated Incremental Earnings &amp; Utility Taxes (1)</th>
<th>Other</th>
<th>Total Incremental EATs (1)</th>
<th>TIF Commission Fee &amp; Neighborhood Improvement District Fee (2)</th>
<th>Net EATs to Developer</th>
<th>PILOTs (3)</th>
<th>County Collection Fee (1%)</th>
<th>TIF Commission Fee &amp; Neighborhood Improvement District Fee (2)</th>
<th>Net PILOTs to Developer</th>
<th>Net EATs &amp; PILOTs to Developer</th>
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</thead>
<tbody>
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<td>6</td>
<td>2006</td>
<td>-</td>
<td>-</td>
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<td>-</td>
<td>-</td>
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<tr>
<td>7</td>
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<td>-</td>
<td>91,749</td>
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<td>80,790</td>
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<td>(2,348)</td>
<td>(39,524)</td>
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<td>234,840</td>
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<td>(39,524)</td>
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<td>(41,931)</td>
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<td>147,230</td>
<td>-</td>
<td>147,230</td>
<td>(25,029)</td>
<td>122,201</td>
<td>288,824</td>
<td>(2,888)</td>
<td>(48,508)</td>
<td>237,327</td>
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</table>

**Totals**

| 1,996,606  | - | 1,895,606 | (339,422) | 1,657,184 | 4,343,729 | (43,454) | (731,051) | 3,569,244 | 5,225,428 |

**Annual Int./Dec. Factor**

3.0%

**Footnotes:**

1. Estimated earnings and utility taxes based upon prior filings.
2. TIF Commission Fee is 5% and the Neighborhood Improvement Fund is 12%.
3. Assumes $36,000 in real estate taxes for the new garage and $240,000 in real estate taxes for the building at 2114 Central, LLC. Odd year increases are projected at 3%.
# 2114 Central, LLC
## Reimbursable Cost Repayment Schedule
### Schedule E

<table>
<thead>
<tr>
<th>TIF Plan Year</th>
<th>Calendar Year</th>
<th>Beginning TIF Reimbursable Balance</th>
<th>Net EATs to Developer</th>
<th>Net PILOTs to Developer</th>
<th>Interest (1)</th>
<th>Ending TIF Reimbursable Balance</th>
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<td>(197,348)</td>
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<td>(192,958)</td>
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<td>(192,958)</td>
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<td>(198,757)</td>
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<td>(204,720)</td>
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<td>(204,720)</td>
<td>262,200</td>
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<td>(210,861)</td>
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<td>(217,187)</td>
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<td>(122,201)</td>
<td>(237,327)</td>
<td>262,200</td>
<td>3,405,666</td>
</tr>
</tbody>
</table>

| Totals        |               | 4,174,693                         | (1,657,184)           | (3,569,244)           | 4,457,400   |                                  |

| Total TIF     |               | 5,226,428                          |                           |                       |             |                                  |

2006 numbers represent the costs to be certified for 2114 Central with approximately $400,000 of accumulated TIF to be paid to the developer.  
2007 numbers represent the remaining balance of the TIF costs to be reimbursed plus the new garage costs.
Tab B
Projects 12 & 13
SEVENTH AMENDMENT TO

DEVELOPER'S PLAN APPLICATION

PROJECT AREAS 12 & 13

22ND & MAIN TAX INCREMENT FINANCING PLAN

Submitted by:

Jerry Riffel
Lathrop & Gage L.C.
2345 Grand Boulevard
Kansas City, MO 64108
816-460-5712
DEVELOPER'S APPLICATION INDEX AND EXHIBIT LIST

Section

1. APPLICANT INFORMATION

2. LOCATION OF REDEVELOPMENT AREA

   Exhibit 2-E(1)   Legal Description of Project Area 12C
                    (Commercial)
   Exhibit 2-E(2)   Legal Description of Project Area 12R
                    (Residential)
   Exhibit 2-E(3)   Legal Description of Project Area 13
                    (Garage)
   Exhibit 2-E(4)   Area Map for Project Areas 12 and 13

3. DESCRIPTIVE SUMMARY OF PLAN AND PROJECTS

4. PROJECT DESCRIPTION

   Exhibit 4-A(1)   Project Areas 12-C and 12-R Boundary Map
   Exhibit 4-A(2)   Project Area 13 Boundary Map
   Exhibit 4-C(1)   Project Areas 12-C and 12-R Zoning Map
   Exhibit 4-C(2)   Project Area 13 Zoning Map
   Exhibit 4-H      Plans

5. PROJECT BUDGET

   Exhibit 5-A(1)   Project Budget – Project Area 12-C & 12-R
   Exhibit 5-A(2)   Project Budget – Project Area 13

6. CONSTRUCTION TOTALS CHARTS

7. EMPLOYMENT INFORMATION CHARTS

8. ECONOMIC IMPACT

   Exhibit 8-A   Existing Economic Activity Taxes, Anticipated
                 EATS, Anticipated Payments in Lieu of Taxes
9. CONTROL OF PROPERTY

Exhibit 9-A        Warranty Deed
Exhibit 9-B        First Deed of Trust, Security Agreement, Assignment of
of Rents and Fixture Filing

10. LAND ACQUISITION

11. TAX ABATEMENT

12. EVIDENCE OF AFFIRMATIVE ACTION

13. DEVELOPER'S AFFIDAVIT
1. **APPLICANT INFORMATION**

   (A) **Applicant Name:**

   McGowan/Walsh

   (B) **Contact Person:**

   Jerry Altman

   (C) **Business Address:**

   1221 Locust
   Suite 1200
   St. Louis, MO 63103
   (314) 436-2200
   (314) 436-2201 FAX

   (D) **Representative authorized to sign documents:**

   Jerry D. Riffel

   (E) **Address:**

   Lathrop & Gage L.C.
   2345 Grand Boulevard
   Suite 2800
   Kansas City, Mo 64108
   (816) 460-5712
   (816) 292-2001 FAX

   (F) **General Contractor:**

   Rau Construction
   9101 West 110th Street, Suite 150
   Overland Park, KS 66210

   (G) **Previous Development Projects or Expertise of the Organization:**

   Kevin X. McGowan and Nathaniel S. Walsh are co-founders of McGowan/Walsh, historic renovators and have been active in commercial, retail and residential mixed-use loft projects since 2001. McGowan/Walsh has had a leading part in the renaissance of Downtown St. Louis and particularly the Washington Avenue
Washington Avenue Loft District. McGowan/Walsh owns or has developed over 1 million square feet of historic structures into over 400 condominium and apartment units and 750,000 square feet of commercial space. With projects in Kansas City and St. Louis, McGowan/Walsh aims to develop 1,000 units per year by 2007 throughout the Midwest. McGowan/Walsh currently has over $200 million in developments throughout Missouri.

Messrs. McGowan and Walsh bring with them a combined wealth of real estate knowledge and real estate development experience.

From 1993 to 1999 Kevin McGowan worked for McGriff Siedels & Williams of Texas as a property and casualty broker, with clients such as Pier One Imports. From 1987 to 1993 Mr. McGowan was involved in the renovation business of single family homes in Connecticut, Missouri and Alabama.

From 1994 to 2004, Nathaniel S. Walsh, Esq. was president of U.S. Title, one of the largest title companies in Missouri. From 1986 to 1994, Mr. Walsh was legal counsel for the St. Louis office of Commonwealth Land Title Insurance Company, where he directed the Commercial Divisions.
2. **LOCATION OF REDEVELOPMENT AREA**

   (A) **General Boundary of Project Area**

   20th Street on the north, St. Paul Avenue on the east, the south lot line of Lot 3, Block 20 of Goodrich Addition on the south, and Wyandotte Trafficway on the west.

   (B) **County:**

   Jackson

   (C) **Council District:**

   Fourth

   (D) **Total Acreage:**

   39,769 s.f. (.91 acres)

   (E) **Please attach on a separate sheet of paper a Legal Description of the Redevelopment Area and a map indicating the location of the Redevelopment Area.**

   The legal description of the Redevelopment Area is the same as that for the 22nd & Main Redevelopment Area. The legal description for Project Area 12-C is attached as Exhibit 2-E(1). The legal description for Project Area 12-R is attached as Exhibit 2-E(2). The legal description for Project Area 13 is attached as Exhibit 2-E(3). A map indicating the location of the Project Area is attached hereto as Exhibit 2-E(4).
Exhibit 2-E(1)
Legal Description of the Redevelopment Area

-- Project Area 12-C (Commercial)--

A tract of land being part of the Southwest Quarter of the Northwest Quarter of Section 8, Township 49, Range 33, also being part of Block 27, "Goodrich Addition", a subdivision in Kansas City, Jackson County, Missouri, said blocks are marked and designated on the plat of said Addition now on file and of record in the Office of the Recorder of Deeds within and for Jackson County, Missouri, being described as follows:

Beginning at the Northwest corner of Block 27 in said "Goodrich Addition" thence north 90°00'00" East along the south right of way line of 20th Street, a distance of 160.61 feet; thence South 00°12'14" East, a distance of 138.37 feet; thence South 89°59'28" West, a distance of 160.61 feet to a point on the West line of said Block 27; thence North 00°12'14" West, along the West line of said Block 27, a distance of 138.39 feet to the point of beginning; said tract being more particularly described as follows: property known as the basement floor, the first floor, and the second floor of the existing building, from elevation 92.23 and below being based on Kansas City Missouri datum and being subject to all easements, covenants, rights of way, restrictions and reservations, now of record.
Exhibit 2-E(2)
Legal Description of the Redevelopment Area

-- Project Area 12-R (Residential) --

A tract of land being part of the Southwest Quarter of the Northwest Quarter of Section 8, Township 49, Range 33, also being part of Block 27, "Goodrich Addition", a subdivision in Kansas City, Jackson County, Missouri, said blocks are marked and designated on the Plat of said Addition now on file and of record in the Office of the Recorder of Deeds within and for Jackson County, Missouri, being described as follows:

Beginning at the Northwest Corner of Block 27 in said "Goodrich Addition" thence north 90°00'00" East along the south right of way line of 20th Street, a distance of 160.61 feet; thence South 00°12'14" East, a distance of 138.37 feet; thence South 89°59'28" West, a distance of 160.61 feet to a point on the West line of said Block 27; thence North 00°12'14" West, along the West line of said Block 27, a distance of 138.39 feet to the point of beginning; said tract being more particularly described as follows: property known as the third floor, the fourth floor, the fifth floor, the sixth floor, and seventh floor, the eighth floor and the ninth floor of the existing building, from elevation 92.23 and above, being based on Kansas City Missouri datum.
Exhibit 2-E(3)

Legal Description of the Redevelopment Area

— Project Area 13 —

All of Lots 1, 2 and 3 in Block 20, "Goodrich Addition", a subdivision in Kansas City, Jackson County, Missouri as said block is marked and designated on the plat of said addition now on file and of record in the office of the Recorder of Deeds within and for Jackson County, Missouri, being more particularly described as follows:

Beginning at the Northwest Corner of Block 27 in said "Goodrich Addition" thence South 00°12'14" East along the West line of said Block 27, a distance of 182.00 feet to the Northwest corner of said Lot 1 and the true point of beginning; thence South 89°55'53" East along the North line of said Lot 1, a distance of 140.50 feet to the Northeast corner of said Lot 1; thence South 00°12'14" East along the East line of said Lots 1, 2 and 3, a distance of 75.00 feet to the Southeast corner of said Lot 3; thence North 89°55'53" West along the South line of said Lot 3, a distance of 140.50 feet to the Southwest corner of said Lot 3; thence North 00°12'14" West along the West line of said Lots 1, 2 and 3, a distance of 75.00 feet to the point of beginning; and being subject to all easements, covenants, rights of way, restrictions and reservations, now of record.

And

Part of the Southwest Quarter of the Northwest Quarter of Section 8, Township 49, Range 33 and part of Block 27, "Goodrich Addition", a subdivision in Kansas City, Jackson County, Missouri, as said block is marked and designated on the Plat of said Addition now on file and of record in the Office of the Recorder of Deeds within and for Jackson County, Missouri, being more particularly described as follows:

Beginning at the Northwest corner of Block 27 in said "Goodrich Addition" thence South 00°12'14" West along the West line of said Block 27, a distance of 138.39 feet to the true point of beginning; thence North 89°59'28" East, a distance of 160.61 feet; thence South 00°12'14" East, a distance of 43.63 feet; thence South 89°31'15" West, a distance of 20.11 feet to the Northeast corner of Lot 1, Block 20 in said "Goodrich Addition"; thence North 89°55'53" West along the North line of said Lot 1, a distance of 140.50 feet to the Northwest corner of said Lot 1; thence North 00°12'14" West a distance of 43.61 feet to the point of beginning; and being subject to all easement, covenants, rights of way, restrictions and reservations, now of record.
3. **DESCRIPTIVE SUMMARY OF PLAN AND PROJECTS**

**PROJECT AREA 12:**

Project Area 12 consists of two project areas, Project Area 12C and Project Area 12R.

**(A) Project Area 12-C:**

Project Area 12C consists of the basement and floors one and two of the H.D. Lee Building. The developer intends to redevelop the basement into 28 parking spaces for condominium owners in the H. D. Lee Building. The developer plans to redevelop floor one into two retail/restaurant spaces, with the west space containing approximately 9,300 square feet and the east space containing approximately 7,800 square feet. Floor two will be developed into approximately 18,000 square feet of office space.

**(B) Project Area 12-R:**

Project Area 12R consists of floors 3 through 9 of the H. D. Lee Building. The developer intends to redevelop Project Area 12R into approximately 118 for sale condominiums with a sale price of approximately $230 to $250 s.f. One premium penthouse will be built on the roof top for a total of 119 condominium units.

The developer will apply for tax abatement under Chapter 353 from the Planned Industrial Expansion Authority for a portion of Project Area 12R at a rate of 100% tax abatement for 10 years. It is anticipated that during the 10 years of 100% tax abatement, developer will make payments in lieu of taxes ("PILOTS") to the taxing jurisdictions equal to 50% of the tax that otherwise would be payable on the assessed value of the improvements established by the Assessor. After obtaining tax abatement, the developer will seek to have tax increment financing activated for Project Area 12R. It is anticipated that once tax abatement ends, PILOTS generated in Project Area 12R will be used for redevelopment project costs within Project Area 13.

**PROJECT AREA 13:**

Project Area 13 will consist of a 4 story parking garage – 3 1/2 stories above ground, 1/2 story below ground containing approximately 151 parking spaces. Project Area 13 will also include approximately 1,250 square feet of restaurant space.

Project Developer also owns a surface parking lot on the north side of 20th Street, adjacent to Project Area 12 which contains approximately 31 parking spaces. Developer plans to do some upgrades to this lot for use as commercial parking for the retail/restaurant spaces within Project Area 12-C.
4. **PROJECT DESCRIPTION**

For each Project Area within the Redevelopment Area, please attach the following:

(A) A map showing the boundaries of each Project Area within the Redevelopment Area:

See Exhibits 4-A(1) and 4-A(2) attached hereto and made a part hereof by this reference.

(B) Legal Descriptions of each Project Area (also to be included on diskette):

(1) **Project Area 12-C:**

See Exhibit 2-E(1)

(2) **Project Area 12-R:**

See Exhibit 2-E(2)

(3) **Project Area 13:**

See Exhibit 2-E(3)

(C) Current land use and zoning for each Project Area, and a map indicating such:

(1) **Project Area 12-C:**

The current land use: Floor 1 - vacant; Floor 2 - office.
The current zoning is M-1. A map indicating such is attached hereto as Exhibit 4-C(1).

(2) **Project Area 12-R:**

The current land use is vacant, except for some space that is used for warehouse. The current zoning is M-1. A map indicating such is attached hereto as Exhibit 4-C(1).

(3) **Project Area 13:**

The current land use is vacant. The current zoning is M-1. A map indicating such is attached hereto as Exhibit 4-C(2).
Proposed land use and zoning for each Project Area, and a map indicating such:

(1) Project Area 12-C:

The proposed land use is retail/restaurant and office. Developer will rezone to URD.

(2) Project Area 12-R:

The proposed land use is residential. Developer will rezone to URD.

(3) Project Area 13:

The proposed land use is parking. Developer will rezone to URD.

Off-site improvements to be made in each Project Area (i.e. infrastructure, streetscaping, signalization, etc.) are as follows:

Off-site improvements will include public improvements, such as streetscape enhancements, landscaping, and lighting. These improvements will be located on the north, east and west sides of Project Areas 12-C, 12-R and 13.

A development schedule for the Plan, including when each Project Area will be developed:

(1) Project Area 12-C:

Begin: August, 2006
End: July, 2007

(2) Project Area 12-R:

Begin: August, 2006
End: July, 2007

(3) Project Area 13:

Begin: September, 2006
End: July, 2007
(G) A list of any nationally or historical properties and/or districts within each Project Area:

The Freight House District has received historical designation.

Project Areas 12-C and 12-R are eligible to be included on the National Register for Historic Places. An application has been submitted and approved for historic preservation tax credits.

(H) Design plans for each Project Area (including site plans & elevations)

See Plans attached hereto as Exhibit 4-H

(I) Evidence of the TIF Commission’s statutory requirement of Blight, Conservation Area or Economic Development Area and “But For”

“But For” being provided by consultant retained by the TIF Commission.
<table>
<thead>
<tr>
<th>DESCRIPTION</th>
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<th>PERKS</th>
<th>PARKING METHOD</th>
<th>PARKING LOCATION</th>
<th>PARKING PRIORITY</th>
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</thead>
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<td>PERCENT</td>
<td>PERCENT</td>
<td>PERCENT</td>
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<tr>
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<td>800</td>
<td>PERCENT</td>
<td>PERCENT</td>
<td>PERCENT</td>
<td>PERCENT</td>
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<tr>
<td>EXAMPLE PARKING</td>
<td>1000</td>
<td>PERCENT</td>
<td>PERCENT</td>
<td>PERCENT</td>
<td>PERCENT</td>
</tr>
</tbody>
</table>

- **DESCRIPTION**: The table above provides information about parking locations and methods, including the number of spaces, parking types (regular, special, reserved), and parking priorities.
- **SF**: Square feet of the parking area.
- **PERKS**: Percentage of the parking area.
- **PARKING METHOD**: The method of parking, such as regular, special, or reserved.
- **PARKING LOCATION**: The location of the parking area.
- **PARKING PRIORITY**: The priority level for parking, indicating the order of preference for parking assignments.

---

**Diagram**:

- The diagram illustrates the layout and distribution of parking spaces, with indications of the types of spaces available and their respective locations within the parking area.
- The diagram is labeled with various sections to highlight different parking zones and facilities, such as special parking areas and reserved spots.

---

**Notes**:

- The notes section provides additional information, possibly regarding parking regulations, access routes, and other relevant details.
- The notes are likely to be specific to the parking facility, offering guidance and instructions for visitors and users of the parking area.
5. **PROJECT BUDGET**

For each project area, please attach the following:

(A) **A complete development pro forma indicating total development costs by Project:**

See "Project Budget" and "Cash Flow" attached hereto as Exhibits 5-A(1) (Project Areas 12-C and 12-R) and 5-A(2) (Project Area 13).

(B) **An operating pro forma indicating expected revenue and expenses over a 10 year period:**

Will be supplemented.

(C) **Amount and source of equity to be provided:**

$1,000,000
(Purchase price of property was $7,250,000, of which $6,250,000 was a mortgage, and $1,000,000 was put up in cash equity)

(D) **Amount and terms of private financing:**

Will be supplemented

(E) **Name of Lender(s):**

Will be supplemented.

(F) **A copy of the Developer's Loan Application provided to lender(s):**

Not applicable. Developer has provided preliminary financial proformas to the prospective lenders, as well as other supplementary materials.

(G) **Evidence of commitment to provide funds from the lending institution (signed by the lender and noting conditions and contingencies, if any):**

Formal commitment will be supplemented when available.

(H) **Itemized sources and uses of any public assistance to be used:**

<table>
<thead>
<tr>
<th>Source</th>
<th>Amount</th>
</tr>
</thead>
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<tr>
<td>Federal Historic Tax Credits</td>
<td>$1,043,000</td>
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<tr>
<td>State Historic Tax Credits</td>
<td>$7,123,000</td>
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<tr>
<td>Chapter 353 Tax Abatement (Area 12-R)</td>
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<td>SOURCES OF FUNDS</td>
<td>Direct Construction Costs</td>
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<td>-----------------</td>
<td>---------------------------</td>
</tr>
<tr>
<td>Direct Construction Costs</td>
<td>Property acquisition</td>
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<td>Site improvements/landscaping</td>
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<tr>
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<td>Parking &amp; other basement improvements</td>
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<tr>
<td></td>
<td>Roofing structural improvements &amp; additions</td>
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<td>Fire Protection &amp; Roof Testing</td>
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<td></td>
<td>Environmental remediation</td>
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<tr>
<td></td>
<td>Rehabilitation costs - residential units on floors 1-9</td>
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<td>White cap of 1st &amp; 2nd floor for commercial tenants at $450,000 per unit</td>
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<tr>
<td></td>
<td>Tenant improvement allowance for commercial tenants at $45 per ft. of floor</td>
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<td>Equities &amp; foundations</td>
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<td>Architect fee - design ($1.75 per sq ft)</td>
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<td>Engineering</td>
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<td>Construction contingency (5%)</td>
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<td>Builder risk insurance</td>
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<td>Total Construction Costs</td>
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</table>
Parking Garage

Land Costs
HD Lee land $352,000
Safeway land 0
Total land cost 352,000

Hard Costs
Demolition 0
Construction - Parking garage 3,590,763
Construction - commercial (whitebox) 58,500
Construction - commercial (tenant finish) 52,000
Other 0
Total Hard Costs 3,701,263

Soft Costs
Development costs
Blight & feasibility 5,000
Phase I environmental 5,000
Insurance 30,000
Legal 40,000
Miscellaneous 5,000
Survey 12,000
Platting 0
Traffic study 4,000

Design costs
Architect & engineer 125,000
A&E reimbursables 12,000
Civil engineering 25,000
Civil reimbursables 4,000
Soils report 0
Soils testing 10,000
Special inspection 33,500

Financing Costs
Appraisal 5,000
Market Study 5,000
Construction loan interest 159,375
Construction loan fee 22,500
Title, escrow, recording, closing 25,000
TIF Fees and expenses 20,000
Permanent loan fee and expenses 27,500
Taxes 10,000
Accounting 15,000
Lease commission 5,000
Total Soft Costs 604,875
<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Hard and Soft Costs</td>
<td>4,306,138</td>
</tr>
<tr>
<td>Contingency</td>
<td>430,600</td>
</tr>
<tr>
<td>Total Project Cost</td>
<td>$5,088,738</td>
</tr>
<tr>
<td>Cost per Space</td>
<td>$33,700</td>
</tr>
</tbody>
</table>
6. CONSTRUCTION TOTALS BY PROJECT AREA * – PROJECT ONE

Please complete the following chart for each Project Area. Reproduce this chart for each Project Area.

Note: PROJECT AREA 12-C

<table>
<thead>
<tr>
<th></th>
<th>NEW CONSTRUCTION</th>
<th>Existing Structures to REMAIN AS IS</th>
<th>Existing Structures to be REHABILITATED</th>
<th>Total</th>
<th>Existing Structures to be DEMOLISHED</th>
</tr>
</thead>
<tbody>
<tr>
<td>Square feet of OFFICE Space</td>
<td>0</td>
<td>0</td>
<td>18,000</td>
<td>18,000</td>
<td>N/A</td>
</tr>
<tr>
<td>Square feet of RETAIL / RESTAURANT Space</td>
<td>0</td>
<td>0</td>
<td>17,100</td>
<td>17,100</td>
<td>N/A</td>
</tr>
<tr>
<td>Square feet of INSTITUTIONAL Space</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>N/A</td>
</tr>
<tr>
<td>Square feet of INDUSTRIAL Space</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>N/A</td>
</tr>
<tr>
<td>Total Square Feet</td>
<td>0</td>
<td>0</td>
<td>50,000</td>
<td>50,000</td>
<td>N/A</td>
</tr>
</tbody>
</table>

Number of DWELLING UNITS | N/A | N/A | N/A | N/A | N/A |
Number of HOTEL ROOMS    | N/A | N/A | N/A | N/A | N/A |
Number of PARKING SPACES | N/A | N/A | 28  | 28  | N/A |

* A Project Area is defined as a specific geographical area within the overall Plan Area that is developed during a specific time frame.
### Table: PROJECT AREA 12-R

<table>
<thead>
<tr>
<th></th>
<th>NEW CONSTRUCTION</th>
<th>Existing Structures to Remain AS IS</th>
<th>Existing Structures to be REHABILITATED</th>
<th>Total</th>
<th>Existing Structures to be DEMOLISHED</th>
</tr>
</thead>
<tbody>
<tr>
<td>Square feet of OFFICE Space</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Square feet of RETAIL Space</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Square feet of INSTITUTIONAL Space</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Square feet of INDUSTRIAL Space</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>4,270</td>
</tr>
<tr>
<td>Total Square Feet</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>4,270</td>
</tr>
</tbody>
</table>

|                                      | 1                | 0                                   | 110-118                                 | 110-119 | N/A                                  |
| Number of DWELLING UNITS             |                  |                                     |                                        |        |                                      |
| Number of HOTEL ROOMS                | N/A              | N/A                                 | N/A                                     | N/A    | N/A                                  |
| Number of PARKING SPACES             | 0                | 0                                   | 0                                       | 0       | N/A                                  |
### Note: PROJECT AREA 13

<table>
<thead>
<tr>
<th></th>
<th>NEW CONSTRUCTION</th>
<th>Existing Structures to Remain As Is</th>
<th>Existing Structures to be Rehabilitated</th>
<th>Total</th>
<th>Existing Structures to be DEMOLISHED</th>
</tr>
</thead>
<tbody>
<tr>
<td>Square feet of OFFICE Space</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>N/A</td>
</tr>
<tr>
<td>Square feet of RESTAURANT</td>
<td>1,248</td>
<td>0</td>
<td>0</td>
<td>1,248</td>
<td>N/A</td>
</tr>
<tr>
<td>Space</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Square feet of INSTITUTIONAL</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>N/A</td>
</tr>
<tr>
<td>Space</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Square feet of INDUSTRIAL</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>N/A</td>
</tr>
<tr>
<td>Space</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Square Feet</td>
<td>1,248</td>
<td>0</td>
<td>0</td>
<td>1,248</td>
<td>N/A</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of DWELLING UNITS</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Number of HOTEL ROOMS</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
</tbody>
</table>
| Number of PARKING SPACES     | 145-151          | N/A                                 | 0                                      | 145-151 | N/A
7. **EMPLOYMENT INFORMATION**

Please provide employment information for each Project Area. Reproduce this chart for each Project Area.

### PROJECT AREA 12-C

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Permanent jobs to be CREATED IN Kansas City</strong></td>
<td>155</td>
</tr>
<tr>
<td><strong>Permanent jobs to be RELOCATED TO Kansas City</strong></td>
<td>N/A</td>
</tr>
<tr>
<td><strong>Permanent jobs to be RETAINED IN Kansas City</strong></td>
<td>N/A</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>approx. 155</td>
</tr>
<tr>
<td><strong>Anticipated Annual Payroll</strong></td>
<td>$4,110,000</td>
</tr>
<tr>
<td><strong>Estimated number of construction workers to be hired during construction phase</strong></td>
<td>89</td>
</tr>
<tr>
<td>Description</td>
<td>Value</td>
</tr>
<tr>
<td>----------------------------------------------------------------------------</td>
<td>--------</td>
</tr>
<tr>
<td>Permanent jobs to be CREATED IN Kansas City</td>
<td>N/A</td>
</tr>
<tr>
<td>Permanent jobs to be RELOCATED TO Kansas City</td>
<td>N/A</td>
</tr>
<tr>
<td>Permanent jobs to be RETAINED IN Kansas City</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>N/A</strong></td>
</tr>
<tr>
<td>Anticipated Annual Payroll</td>
<td>N/A</td>
</tr>
<tr>
<td>Estimated number of construction workers to be hired during construction phase</td>
<td>451</td>
</tr>
<tr>
<td>Description</td>
<td>Value</td>
</tr>
<tr>
<td>-----------------------------------------------------------------------------</td>
<td>---------</td>
</tr>
<tr>
<td>Permanent jobs to be CREATED IN Kansas City</td>
<td>3</td>
</tr>
<tr>
<td>Permanent jobs to be RELOCATED TO Kansas City</td>
<td>N/A</td>
</tr>
<tr>
<td>Permanent jobs to be RETAINED IN Kansas City</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>N/A</td>
</tr>
<tr>
<td>Anticipated Annual Payroll</td>
<td>$54,000</td>
</tr>
<tr>
<td>Estimated number of construction workers to be hired during construction phase</td>
<td>90</td>
</tr>
</tbody>
</table>
8. **ECONOMIC IMPACT**

For each Project Area, please provide the following:

(A) **Existing Economic Activity Taxes (EATS)** (i.e. utilities, food & beverages, sales, hotel rooms, use, corporate profits, and individual earnings taxes):

See Tax Increment Financing Benefits Schedule attached hereto as Exhibit 8-A.

(B) **Anticipated EATS:**

See Tax Increment Financing Benefits Schedule attached hereto as Exhibit 8-A.

(C) **Anticipated Payments in Lieu of Taxes (PILOTS), which are 100% of the revenues derived from an increase in assessed value.**

See Tax Increment Financing Benefits Schedules attached hereto as Exhibit 8-A.
<table>
<thead>
<tr>
<th>Date</th>
<th>Part</th>
<th>Unit</th>
<th>Part ID</th>
<th>Description</th>
<th>Quantity</th>
<th>Price</th>
<th>Total Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>01/01</td>
<td>0001</td>
<td>5000</td>
<td>010001</td>
<td>100% Making Part</td>
<td>10</td>
<td>20.00</td>
<td>200.00</td>
</tr>
<tr>
<td>01/02</td>
<td>0002</td>
<td>5001</td>
<td>010002</td>
<td>200% Making Part</td>
<td>5</td>
<td>30.00</td>
<td>150.00</td>
</tr>
<tr>
<td>01/03</td>
<td>0003</td>
<td>5002</td>
<td>010003</td>
<td>300% Making Part</td>
<td>2</td>
<td>40.00</td>
<td>80.00</td>
</tr>
<tr>
<td>01/04</td>
<td>0004</td>
<td>5003</td>
<td>010004</td>
<td>400% Making Part</td>
<td>1</td>
<td>50.00</td>
<td>50.00</td>
</tr>
</tbody>
</table>

**Total:** 200.00 + 150.00 + 80.00 + 50.00 = 480.00
9. **CONTROL OF PROPERTY**

(A) If the Applicant owns the project site, indicate:

1. **Date of purchase:** April 22, 2005

2. **Mortgage(s):** D. P. Exchange Services, Inc.

3. **Balance of existing Mortgage(s):** $6,250,000

4. **Submit copies of promissory note(s), deed(s) of trust and deed(s) for each mortgage:**

   Please see deed attached as Exhibit 9-A
   Please see First Deed of Trust, Security Agreement, Assignment of Rents and Fixture Filing attached as Exhibit 9-B

(B) If the Applicant has a contract or option to purchase the project site, indicate:

1. **Date purchase/option contract signed:** Not applicable

2. **Closing/expiration date:** Not applicable

3. **Submit a copy of purchase/option contract(s):** Not applicable

(C) If the Applicant will lease the project site, indicate:

1. **Legal Name of Owner:** Not applicable

2. **Owner’s Address:** Not applicable

3. **Owner of land upon completion of Project:** Not applicable
Title of Document: Missouri Special Warranty Deed

Date of Document: April 22, 2005

Grantor(s): Rainen Building, LLC

Grantee(s): HD Lee Building, LLC

Grantee(s) Mailing Address: c/o McGowan & Walsh, LLC
1221 Locust, Ste 770, St. Louis, MO 63103

Legal Description:

See attached Exhibit A

PLEASE RETURN-recorded document TO:
First American Title Insurance Company
911 Main Street, Ste 2500
Kansas City, MO 64105
Attn: Sheryl Sneek
NCS 145679 KCTY
MISSOURI SPECIAL WARRANTY DEED

THIS INDENTURE is made effective as of the 22nd day of April, 2005, by and between RAINEN BUILDING, LLC, a Missouri limited liability company ("Grantor"), and HD LEE BUILDING, LLC, a Missouri limited liability company (collectively, "Grantee"). Mailing address of Grantee is c/o McGowan & Walsh, LLC, 1221 Locust, Suite 770, St. Louis, Missouri 63103.

WITNESSETH, that Grantor, in consideration of the sum of Ten Dollars ($10.00) and other good and valuable consideration to Grantor duly paid, the receipt of which is hereby acknowledged, does hereby convey and convey unto Grantee and Grantee's successors and assigns, the following-described property (the "Property");

(A) The real property described on Exhibit A attached hereto and incorporated herein by this reference (the "Land");

(B) All improvements on the Land (the "Improvements");

(C) All right, title and interest of Grantor in and to (i) all public and private streets, roads, avenues, alleys and passageways, opened or proposed, in front of or abutting the Land, (ii) any award made or to be made and any unpaid award for damage to the Land by reason of any change of grade of any such street, road, avenue, alley or passageway, and (iii) any strips or gores of land adjoining the Land; and

(D) All and singular the estates, rights, privileges, easements and appurtenances belonging or in any wise appertaining to the Land and the improvements.

SUBJECT TO the rights of tenants, as tenants only, under the leases listed on Exhibit B attached hereto and incorporated herein by reference, any matters which would be disclosed by an accurate survey or inspections of the Property, taxes and assessments for 2005 and subsequent years and all matters of record.

TO HAVE AND TO HOLD the Property with all and singular the tenements, hereditaments and appurtenances thereto belonging or in any wise appertaining, unto Grantee and Grantee's successors and assigns, forever, Grantor hereby covenanting that the Property is free and clear from any encumbrance done or suffered by Grantor except as set forth above, and that Grantor will warrant and defend the title to the Property unto Grantee and Grantee's successors and assigns forever against the lawful claims and demands of all persons claiming or to claim the same by, through or under Grantor except as set forth above.
IN WITNESS WHEREOF, Grantor has caused this Deed to be executed the day and year first above written.

RAINEN BUILDING, LLC, a Missouri limited liability company

By: 
Name: Michael Rainen
Title: Manager

ATTEST:

Printed Name: 
Title: 

STATE OF )
 ) SS.
COUNTY OF )

BE IT REMEMBERED, that on this 26th day of April, 2005, before me, a Notary Public in and for said County and State, personally appeared Michael Rainen, to me personally known to be the person described in and who executed the foregoing instrument, who, being by me duly sworn, did say that he is the Manager of RAINEN BUILDING, LLC, a Missouri limited liability company, and that said instrument was signed on behalf of said limited liability company by authority of its members, and said person acknowledged said instrument to be the free act and deed of said limited liability company.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

DENISE M. GOODSON
Notary Public-Notary Seal
State of Missouri, Jackson County
My Commission Expires: May 29, 2008

My Commission Expires:

2008
EXHIBIT A

Legal Description

BUILDING PARCEL:

Lots 1, 2 and 3, Block 20, and all in Block 27, in GOODRICH ADDITION, a subdivision in Kansas City, Jackson County, Missouri, as said lots and blocks are marked and designated on the plat of said addition now on file and of record in the Office of the Recorder of Deeds within and for Jackson County, Missouri; and also all that part of the Southwest Quarter of the Northwest Quarter of Section 8, Township 49, Range 33, described as follows: Beginning 316-1/4 feet West of the Northeast corner of said Southwest Quarter of the Northwest Quarter; thence running South 212 feet; thence West 158 feet; thence North 212 feet; thence East 158 feet to the point of beginning; subject to the rights of the public in the North 30 feet thereof taken for street purposes, in Kansas City, Jackson County, Missouri.

PARKING PARCEL:

Lot 15, except the Northeasterly 2 feet of said Lot 15, measured at right angles to the division line between Lots 14 and 15; and Lots 16 and 25, except that part thereof deeded to Kansas City as part of 20th Street; and also Lots 21, 22 and 23, except the South 24.5 feet of Lot 23, and except that part of said Lots lying East of a line drawn 19.5 feet West of and parallel with the West line of Baltimore Avenue, including that part of vacated St. Paul Avenue between the parts of Lots 21, 22, 23 and 25 above described, in Block 13, GOODRICH ADDITION, a subdivision in Kansas City, Jackson County, Missouri, according to the recorded plat thereof.
EXHIBIT B

Permitted Leases

1) Building Lease between Rainen Building, LLC and Prudential Lofts & Condo Realty, a Missouri limited liability company, not dated, unrecorded.

2) Building Lease between Rainen Building, LLC and World Streaming Network, a Delaware corporation, dated November 1, 2000, unrecorded.

3) Month-to-month parking lease with Manny's Restaurant commencing October 1, 2004, unrecorded.

4) Lease by and between Rainen Building, LLC and HD Lee Building, LLC, a Missouri limited liability company, dated on or about the date hereof, for a portion of the rooftop of the Property.
FIRST DEED OF TRUST, SECURITY AGREEMENT, ASSIGNMENT OF RENTS AND FIXTURE FILING

THIS FIRST DEED OF TRUST, SECURITY AGREEMENT, ASSIGNMENT OF RENTS AND FIXTURE FILING (as the same may be amended or supplemented at any time, the "Deed of Trust") is made as of April 22, 2005, by and among:

HD LEE BUILDING, LLC, a Missouri limited liability company, having an address at c/o McGowan & Walsh, LLC, 1221 Locust, Suite 770, St. Louis, Missouri 63103, as grantor (together with its successors and assigns and any subsequent owner or owners of the Mortgaged Property, the "Grantor");

MICHELE MCCUE, an individual, having an address at c/o Lewis, Rice & Fingerhut, One Petticoat Lane, Suite 500, 1010 Walnut, Kansas City, Missouri 64106, as trustee (together with any successor or substitute trustee appointed pursuant to this Deed of Trust, the "Trustee");

AND

D. P. EXCHANGE SERVICES, INC., a Kansas corporation, having an address at c/o Thomas J. Davies, 11111 W. 95th Street, Overland Park, Kansas 66214, as beneficiary (together with any subsequent holder or holders of Note A, the "Lender").

RECITALS

A. Certain capitalized terms used in these Recitals and elsewhere herein are defined in §20.8 of this Deed of Trust, other terms are defined throughout the text of this Deed of Trust.

B. Grantor desires to purchase the Mortgaged Property from Lender and Lender has agreed to finance $6,250,000.00 of the purchase price to enable Grantor to purchase the Mortgaged Property (the "Loan").

C. Lender will not make the Loan unless Grantor grants this Deed of Trust to Trustee and Lender as security for payment of the Debt and performance of the Obligations, and Grantor is willing to do so.

GRANTS AND AGREEMENTS

NOW, THEREFORE, in consideration of Lender's agreement to make the Loan secured hereby upon and subject to the terms of the Loan Documents, and of the payment of ten dollars ($10.00) and other good and valuable consideration given by Lender to Grantor, the receipt and sufficiency of which are hereby
acknowledged by Grantor, at all times until the Debt is fully paid and the Obligations fully performed, Grantor hereby acts, and covenants, promises and agrees with Trustee and Lender, as follows:

1. GRANTING CLAUSES

1.1. Grant of the Real Estate Security. Grantor, to secure the payment of the Debt and payment and performance of the Obligations, hereby grants, bargains, sells, mortgages, warrants, assigns, conveys and transfers to the Trustee, in trust with power of sale, all of the following described property:

   (a) All of the real property and interests in real property described on Exhibit A attached to and incorporated into this Deed of Trust (collectively, the "Land"), together with all of Grantor’s right, title and interest in and to: the buildings, structures and other improvements now or hereafter located on the Land (the "Improvements"); the easements, rights of way, privileges, hereditaments, gores, streets, alleys, passages, ways, waters, watercourses, rights and appurtenances belonging or appertaining to the Land; the streets and ways adjacent to the Land; all reversions and remainders pertaining to the Land; and all air rights, development rights, water rights and mineral rights appurtenant or belonging to the Land or relating to the Land; and

   (b) All fixtures, equipment, apparatus, machinery, fittings and appliances, chattels, building materials and tangible personal property of every kind and character, now or at any time hereafter affixed to or attached to or placed upon or used in any way in connection with the complete and comfortable use, enjoyment, occupancy, operation and/or maintenance of the Improvements or the Land, including such of the foregoing as may be used in connection with the generating or distributing of air, water, heat, electricity, light, fuel or refrigeration, or for ventilating or sanitary purposes, or for the removal of dust, refuse or garbage, and all renewals, replacements and substitutions thereof, additions and accessions thereto, and all spare parts for any of the same, all of which are intended to be subject to the lien of this Deed of Trust as part of the real estate (all the property described in this §1.1(b) is herein collectively called, the "Fixtures"); and

   (c) All of the Leases and the Rents and all the other benefits of any of the Land, Improvements and Fixtures; and

   (d) All proceeds of the conversion, voluntarily or involuntarily, of any of the property described in this §1.1 into cash or liquidated claims, including proceeds of insurance and Condemnation Awards.

TO HAVE AND TO HOLD the Mortgaged Property unto Trustee, his/her/its successors and assigns, forever.

UNDER AND SUBJECT to Permitted Encumbrances.

IN TRUST HOWEVER, for the purpose of securing in such order of priority as Lender shall elect, the payment of the Debt and the performance of the Obligations, in accordance with their respective terms.

1.2. Grant of Security Interest and Assignment. Grantor, to secure payment of the Debt and payment and performance of the Obligations, hereby transfers and assigns to the Trustee and to Lender, and grants to the Trustee and the Lender a security interest under the Uniform Commercial Code (as adopted and in effect in the State on the date hereof and as amended or supplemented at any time hereafter, the "Code") in and to, the following described property, whether now owned or hereafter acquired by Grantor:
(a) All of the Fixtures and all other property described in §1.1 thereof which, under any applicable law, may be deemed to be personal property or fixtures, the creation and perfection of a lien on which is governed by the Code;

(b) All goodwill, trademarks, trade names, option rights, purchase contracts, computer records and software, books and Records and general intangibles of the Grantor relating to any of the Mortgaged Property, all Intellectual Property, all rights of the Grantor under or with respect to all accounts, contract rights, instruments, chattel paper and other rights of the Grantor for payment of money for property sold or lent, for services rendered, for money lent, or for advances or deposits made, all rights of the Grantor to plans and specifications, designs, drawings, models and other matters prepared for any construction or renovation on the Land, all rights of the Grantor under any contracts executed by the Grantor as owner with any provider of goods or services in connection with any construction or renovation undertaken on, or services performed or to be performed in connection with, any part of the Mortgaged Property, all federal and state historic rehabilitation tax credits allocable with respect to the Mortgaged Property, and all other intangible property of the Grantor related to or used in connection with any of the Mortgaged Property, and shall specifically include, without limiting the foregoing, all trade insignias and logos (including goodwill related thereto), if any, used in connection with the operation of the Mortgaged Property (all such property described in this §1.2(b) is herein called, the "Intangibles");

(c) All of the Collateral;

(d) All right, title and interest of Grantor in and to all amounts now or hereafter on deposit with Lender under any provisions of the Loan Documents; and

(e) All the proceeds of any of the property described in this §1.2.

This Deed of Trust creates a security interest in the Fixtures, Intangibles, and all other property described in this §1.2, whether now owned or hereafter acquired by Grantor (collectively, the "Personal Property Security"), and shall constitute a Security Agreement under the Code.

1.3. Assignment of Leases and Rents. Grantor hereby absolutely and unconditionally assigns, transfers, pledges, grants a lien upon and encumbers in favor of Lender all of the Leases and Rents, as security for the prompt and timely payment of the Debt and performance of the Obligations. This assignment is in addition to any absolute assignment made pursuant to any separate lease assignment. Lender shall apply any amounts received pursuant to this assignment to the payment of the Debt, the performance of the Obligations, and/or to the operation and Maintenance of the Mortgaged Property, in such order as Lender may elect, without regard to the adequacy of the security or the solvency of the Grantor. Notwithstanding such assignment, Lender hereby grants to Grantor the right to collect and retain the Rents for Grantor's own account, until an Event of Default shall occur; but upon occurrence of any Event of Default, the right herein granted to Grantor to collect the Rents shall at Lender's option, terminate.

Notwithstanding anything seemingly to the contrary contained herein or in any of the other Loan Documents, Grantor shall not enter into or execute any Lease of any of the Mortgaged Property without the prior written approval of such Lease by Lender (which approval shall not be unreasonably withheld or
delayed), Grantor hereby acknowledging and agreeing that all Leases must be in form, substance and with tenants reasonably satisfactory to Lender.

Grantor hereby represents and warrants to Lender: (A) That Grantor has full right and power to assign the Leases and Rents to Lender, and has not executed any prior and now existing assignment of any of its rights under any Lease or to any portion of the Rents to any person other than Lender; (B) That Grantor has not done any act or thing which might prevent Lender from enjoying the benefits of the Leases and Rents assigned hereby; (C) That, to the actual knowledge of Grantor, each of the Leases is valid and enforceable; (D) That neither Grantor nor, to the actual knowledge of Grantor, the tenants are in default under any of the terms of any of the Leases; and (E) That no Rents have been collected or accepted by Grantor more than one month in advance of the time when the same become due under the terms of the Leases, except Rents collected at the execution of a Lease, which are to be applied to the Rents at the beginning of the term of the Lease, or as security for the performance of the tenant's obligations under the Lease.

Grantor hereby covenants, promises and agrees that Grantor will: (i) Observe, fulfill and perform each and every condition, covenant and provision of the Leases to be fulfilled or performed by Grantor; (ii) Enforce at the sole cost and expense of Grantor the performance or observance of each and every material covenant and condition of each of the Leases; (iii) At the sole cost and expense of Grantor, appear in and defend any action growing out of or in any manner connected with any of the Leases, Rents or the obligations or liabilities of Grantor or any party thereunder; (iv) From time to time, upon reasonable request by Lender, execute and deliver to Lender, acknowledge when appropriate and record or file in the public records when appropriate, any and all writings, including without limitation further assignments of any Lease or Leases, financing statements and other writings that Lender may deem necessary or desirable to carry out the purpose and intent of this assignment, or to enable Lender to enforce any right or rights hereunder; and (v) From time to time, upon reasonable request by Lender, furnish to Lender a true copy of any Lease.

Grantor will not, without the prior written consent of Lender (which consent shall not be unreasonably withheld or delayed): (A) Modify or alter any of the terms or provisions of any of the Leases; (B) Terminate the term of, or accept a surrender of, any of the Leases; (C) Anticipate Rents for more than one calendar month prior to the accrual thereof under the terms of the Leases; (D) Waive, or release any party under any of the Leases; (E) Pledge, transfer, mortgage or otherwise encumber or assign the Leases or the Rents; (F) Permit any Lease to be subordinated to any deed of trust or mortgage junior in lien to the Deed of Trust encumbering the leased premises; (G) In any other manner impair the value of the Leases or Rents or the security of the assignment thereof as provided herein; or (H) Execute any Lease except for actual occupancy by the lessee thereunder.

1.4. Fixture Filing. From the date of its recording, this Deed of Trust shall be effective as a financing statement filed as a fixture filing with respect to all the Fixtures. For this purpose, the following information is set forth:

(a) Name and Address of Debtor:

HD LEE BUILDING, LLC, a Missouri limited liability company
Address: as set forth above.

(b) Name and Address of Secured Party:

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D. P. EXCHANGE SERVICES, INC., a Kansas corporation
Address: as set forth above.

(c) Grantor's organizational identification number is LC0649815.

(d) This document covers goods which are or are to become, or may be or become, fixtures. This document is to be filed in the real estate records. A description of the real estate is attached hereto as Exhibit A. Grantor is the record owner of the real estate.

2. COVENANTS AS TO PAYMENT, PERFORMANCE AND TITLE; WARRANTIES

2.1. Payment of Note. Grantor shall pay to Lender the entire Debt, punctually as and when the same shall become due, without offset, counterclaim or defense. Grantor will fully and faithfully observe and perform all of the provisions of the Loan Documents. The Loan Documents are incorporated herein by this reference.

2.2. Defeasance. If all the Debt shall be paid and the Obligations shall be performed, all at the times and in the manner provided in the Loan Documents, then the Trustees shall release or reconvey to Grantor all of the Mortgaged Property and shall release this Deed of Trust of record.

2.3. Warranty of Title. Grantor warrants that: (a) Grantor has good and marketable title to an indefeasible estate in fee simple in and to the Land and the Improvements; (b) Grantor has good title to all of the rest of the Mortgaged Property; and (c) this Deed of Trust is a Lien on and security interest in the Mortgaged Property, subject to no encumbrances except Permitted Encumbrances. Grantor shall not, without the prior written consent of Lender (which consent shall not be unreasonably withheld or delayed), install in or locate on the Mortgaged Property any equipment or fixtures which are subject to any Lien other than Permitted Encumbrances. None of the Rents is subject to any previous assignment, nor will any of the Rents be assigned hereafter, except to Lender as security for any of the Debt and/or Obligations.

2.4. Agreement to Defend. Grantor shall preserve Grantor's title and interest in the Mortgaged Property as described in §2.3, and will forever warrant and defend the validity of the lien, security interest and assignment created hereby against the claims of all persons whatsoever, subject only to Permitted Encumbrances.

2.5. Additions to the Mortgaged Property. All right, title and interest of Grantor in and to all extensions, improvements, betterments, renewals, substitutes and replacements of, and all additions and appurtenances to, the Mortgaged Property hereafter acquired by, or released to, Grantor, or constructed, assembled or placed by Grantor on the Land, immediately upon such acquisition, release, construction, assembling or placement, and in each such case, without any further act by Grantor, shall become subject to the lien and security interest of this Deed of Trust as though they were now owned by Grantor and specifically described in the granting clauses hereof.

2.6. Easements Outside the Land. In the event any easements or rights in common or otherwise (other than revocable rights) in any lands not covered by the lien of this Deed of Trust are granted as an appurtenance to the use and operation of any of the Mortgaged Property, then this Deed of Trust shall attach to
and be a lien on such easements and rights in such other lands, and the lien hereof spread to cover such easements and rights with the same force and effect as though specifically described in the granting clauses hereof.

2.7. **Further Assurances.** Promptly upon reasonable request of Lender, Grantor shall do all reasonable acts and things, including but not limited to the execution and delivery of any further deeds, conveyances, mortgages, assignments, financing statements, continuation statements, and further assurances, deemed necessary or desirable by Lender to establish, confirm, maintain and continue the Lien and security interest created and intended to be conferred hereby and the priority thereof. Grantor hereby appoints Lender as attorney-in-fact for Grantor to execute, deliver and file any and all such documents, writings, and other instruments as Lender may reasonably require, in order to perfect and maintain the priority of such Lien and security interest.

2.8. **Warranties of Grantor.** Grantor covenants and warrants that (i) it is a limited liability company duly formed, existing and in good standing under the laws of the Formation State, (ii) it is duly qualified to do business and is in good standing in the State, (iii) it has the power, authority and legal right to carry on the business now being conducted by it and to engage in the transactions contemplated by this Deed of Trust, (iv) the execution and delivery of and the carrying out of the transactions contemplated by this Deed of Trust, and the performance and observance of the provisions hereof, have been duly authorized by all necessary actions of Grantor and its members, and will not conflict with or result in a breach of the terms or provisions of any existing law or any existing rule, regulation or order of any Governmental Authority (defined in §3.1 below) or of the operating agreement of Grantor, (v) all instruments, documents, financial statements and certificates submitted to Lender by or on behalf of Grantor in connection with the Loan are true, correct and complete, and contain no misrepresentations, and (vi) there is no action, suit, proceeding or litigation pending, or to Grantor's actual knowledge threatened, against Grantor or any of the Mortgaged Property which has not been disclosed to Lender in writing.

3. **COVENANTS AS TO IMPOSITIONS**

3.1. **Payment of Impositions.** Prior to the date on which any interest or penalties shall commence to accrue thereon, Grantor will pay and discharge all taxes and assessments of every kind and nature now or hereafter assessed against or levied upon any of the Mortgaged Property or the revenues, rents, issues or profits thereof by any Governmental Authority, including real and personal property taxes, general and special assessments, inspection and license fees, water and sewer rents and charges (all such taxes, assessments and other charges are herein called, the "Impositions").

3.2. **Evidence of Payment.** Within thirty (30) days after the date when any Impositions which are or could become a Lien on any part of the Mortgaged Property would become delinquent, Grantor will furnish to Lender official receipts of the appropriate Governmental Authorities to which the Impositions are payable, or other evidence reasonably satisfactory to Lender evidencing the payment thereof. The certificate, advice or bill of the appropriate official designated by law to receive payment of any Imposition indicating non-payment of such Imposition shall be conclusive evidence (as between Lender and Grantor) that such Imposition is due and unpaid, and Lender may rely thereon.

4. **INSURANCE**
4.1. **Insurance Required.** Grantor will obtain, keep in force and maintain the following insurance coverages at all times until this Deed of Trust is satisfied of record:

(a) **Property Insurance.** To the extent any Improvements are now or hereafter located on the Land, a standard property insurance policy on the "Special" or "all-risk" form, covering the Mortgaged Property in the amount of the full replacement cost (insurable value) thereof, without reduction for depreciation, with the deductible not to exceed $25,000.

(b) **Builder's Risk.** During the period of any construction, renovation, demolition or alteration work on the Mortgaged Property, a completed value, "All Risk" Builders Risk form or "Course of Construction" insurance policy in non-reporting form, in an amount reasonably approved by Lender, including without limitation such endorsements as Lender may reasonably require, insuring Lender against damage to the Mortgaged Property. Such policy shall also provide coverage for collapse and theft, and shall contain a "permission to occupy on completion" endorsement or equivalent.

(c) **Flood Insurance.** If the Improvements or any part thereof are situated in an area now or subsequently designated by FEMA as a special flood hazard area, a policy of flood insurance in an amount equal to the lesser of: (i) the minimum amount required, under the terms of coverage, to compensate for any damage or loss on a replacement basis (or the unpaid balance of the Debt if replacement cost coverage is not available for the type of building insured); or (ii) the maximum insurance available under the appropriate National Flood Insurance program. The maximum deductible shall be $25,000 per building or a higher minimum amount as required by FEMA or other applicable law.

(d) **Liability Insurance.** At all times until this Deed of Trust has been satisfied of record, a CGL Policy, with coverage on an "occurrence" basis, in such form, amounts and with such companies as Lender may from time to time reasonably require, pursuant to the terms of this Deed of Trust. Such CGL Policy shall have an annual general aggregate limit of not less than $1,000,000, and a "per occurrence" limit of not less than $1,000,000. Lender shall be named as an additional insured with Grantor on all CGL Policies. Deductibles or self-insured retentions (as the case may be) under the liability policies shall not exceed $25,000, without prior written consent of Lender (which consent shall not be unreasonably withheld or delayed). All policies required by this §4.1(d) shall name Lender as an additional insured under an endorsement reasonably satisfactory to Lender.

(e) **Boiler and Machinery Coverage.** Boiler and machinery insurance coverage, if steam boilers or other pressure-fired vessels are in operation at the Mortgaged Property, or as otherwise required by Lender. Minimum liability coverage per accident must equal the replacement cost (insurable value) of the Improvements housing such boiler or pressure-fired machinery. If one or more large HVAC units is in operation at the Mortgaged Property, "Systems Breakdowns" coverage shall be required, as determined by Lender. Minimum liability coverage per accident must equal the value of such unit(s).

(f) **Ordinance or Law Coverage.** If any of the Mortgaged Property constitutes a legal non-conforming use under applicable building, zoning or land use laws or ordinances, Grantor shall provide an ordinance or law coverage endorsement to the property insurance policies, which will contain: Coverage A: "Loss Due to Operation of Law" (with a minimum liability limit equal to Replacement Cost With Agreed Value Endorsement), Coverage B: "Demolition Cost", and Coverage C: "Increased Cost of Construction" coverages, and such other coverage as Lender may require.
(g) **Workers' Compensation.** When required by any applicable law, ordinance or other regulation, Workers' Compensation and Employer's Liability Insurance covering all persons subject to the workers' compensation laws of the state in which the Mortgaged Property is located.

4.2. **Requirements Re: Insuring Companies, Policies, Mortgagee Clause, Coverage Increases, Deductibles, etc.** All policies of insurance required herein: (a) shall be issued by and maintained with insurance companies licensed to do business in the State in which the Mortgaged Property is situated, and having a rating of A- or better by the A.M. Best Company; (b) contain the complete address (or legal description) of the Mortgaged Property; (c) be for terms of at least one year with premium prepaid; (d) be subject to the approval of Lender (which approval shall not be unreasonably withheld or delayed) as to insurance companies, amounts, content, forms of policies, method by which premiums are paid, expiration dates and all other respects; and (e) include a provision naming Lender, its successors and assigns as their interests may appear: (1) as an additional insured under all liability insurance policies, (2) as the first mortgagee on all property insurance policies under a standard non-contributory mortgagee clause (or lender's loss payable clause), and (3) as the lender's loss payee on all loss of rents or loss of business income insurance policies. Each insurance policy: (i) shall provide for at least thirty (30) days' prior written notice to Lender prior to any policy reduction or cancellation for any reason other than non-payment of a premium and at least ten (10) days' prior written notice to Lender prior to any cancellation due to non-payment of premium; (ii) shall contain an endorsement or agreement by the insurer that any loss shall be payable to Lender in accordance with the terms of such policy notwithstanding any act, omission or negligence of Grantor which might otherwise result in forfeiture of such insurance; and (iii) shall waive all rights of subrogation against Lender. Such policies shall provide, among other things, that all proceeds of the policies are payable directly to Lender (and not to Lender and Grantor jointly). All policies must be reasonably satisfactory to Lender in all respects, and shall have such endorsements as may be reasonably required by Lender from time to time. Lender shall have the right to periodically review the amount of the CGL Policy coverage and the coverage amounts of all other insurance policies reasonably required hereunder, and to require an increase in such coverage amounts if Lender deems such an increase to be reasonably prudent under then existing circumstances.

4.3. **Lender Not Responsible for Insurance.** Lender, by approving, disapproving, accepting, preventing, obtaining or failing to obtain any insurance, shall not incur any liability for the form or legal sufficiency of insurance contracts, solvency of insurance companies, or payment of lawsuits and expenses, and Grantor hereby expressly assumes full responsibility therefor and for any liability, if any, thereunder.

4.4. **Proceeds on Foreclosure.** In the event of foreclosure of this Deed of Trust, or other transfer of title to the Mortgaged Property in extinguishment of the Debt, all right, title and interest of the Grantor in and to all proceeds of any insurance policies required hereby then in force shall pass to the purchaser or grantee.

4.5. **Proof of Loss; Adjustment of Claims.** If any Casualty shall occur, Grantor shall promptly make proof of loss to the insurers; but Lender may itself make proof of loss if Lender gives written notice to Grantor electing to make such proof of loss. Grantor shall not adjust or compromise any claim under any insurance required hereby without the written consent of Lender (which consent shall not be unreasonably withheld or delayed).
4.6. **DELIBERATION OF POLICIES; RENEWALS.** Grantor, as of the date hereof, shall deliver to Lender evidence that the insurance policies required hereby have been prepaid as required above and either duplicate originals of such policies, if required by Lender, or certified copies of such insurance policies and original certificates of insurance signed by an authorized agent of the applicable insurance companies evidencing such insurance, and reasonably satisfactory to Lender. Grantor shall renew all such insurance and deliver to Lender certificates and policies evidencing such renewals at least thirty (30) days before any such insurance shall expire.

4.7. **BLANKET POLICIES.** Any insurance policies required hereby may be in the form of a blanket policy provided that the blanket policy must properly identify and fully protect the Mortgaged Property as if a separate policy were issued for full replacement cost (insurable value) thereof, without reduction for depreciation, at the time of loss and otherwise meet all of Lender's insurance requirements set forth in this ¶4. Grantor hereby acknowledges and agrees that failure to pay any portion of the premium therefor which is not allocable to the Mortgaged Property or by any other action not relating to the Mortgaged Property which would otherwise permit the issuer thereof to cancel the coverage thereof, would require the Mortgaged Property to be insured by a separate, single-property policy.

4.8. **MAINTENANCE OF OTHER INSURANCE.** Grantor shall not obtain insurance for the Mortgaged Property in addition to that required by Lender and contributing, in the event of loss, with any insurance required hereby, without the prior written consent of Lender, which consent will not be unreasonably withheld provided that: (a) Lender is a named insured on such insurance, (b) Lender receives complete copies of all policies evidencing such insurance, and (c) such insurance complies with all of the requirements set forth herein.

4.9. **LENDER'S RIGHT TO INSURE.** If Grantor fails to at all required times maintain the insurance coverages required hereby, or fails to deliver to Lender the policies and evidences of insurance and renewals thereof required hereby, or if Lender receives notice that any insurance required hereby will be cancelled, Lender shall have the right to obtain such insurance and any sums expended by Lender in obtaining such insurance shall be due and payable to Lender on demand, shall be a part of the Obligations, and shall be secured hereby.

5. **MAINTENANCE AND REMOVAL; PERMITTED USES**

5.1. **Permitted Removal; Waste.** Except as required for construction or renovation of the Improvements pursuant to plans and specifications approved in writing by Lender, Grantor will not cause or permit any Improvement to be removed or demolished. If Lender shall be removed, severed or destroyed, without the prior written consent of Lender, unless simultaneously with, or prior to, any such permitted removal such Fixture has been replaced with another Fixture of at least equal value. By such removal and replacement Grantor shall be deemed to have subject such Fixtures to the Lien of this Deed of Trust. Grantor will not abandon, or cause or permit any waste to, the Mortgaged Property.

5.2. **Maintenance.** Throughout the term of this Deed of Trust, Grantor will keep the Mortgaged Property in good order and condition, and do all necessary Maintenance. All Maintenance shall be at least equal in quality and class to the original work. The standard for Maintenance required shall be that which is appropriate for facilities and buildings of similar construction and class, provided that Grantor shall in any
event do all Maintenance necessary to avoid any structural damage or injury to the Improvements, to comply with all Legal Requirements and to keep the Improvements in a proper condition for their Permitted Uses (as defined below). Grantor will not permit any condition to exist on the Mortgaged Property which would wholly or partially invalidate the insurance thereon.

5.3. **Inspection of Lender.** Without notice to Grantor, Lender and Lender's representatives may enter the Mortgaged Property at reasonable times to inspect the same. If any Event of Default occurs, Lender may, at its option, enter the Mortgaged Property to protect, restore or do Maintenance on any part thereof. Lender shall not be liable for any such entry upon the Mortgaged Property.

5.4. **Permitted Uses.** Grantor will construct, develop and use the Mortgaged Property solely for purposes of a mixed-use office, retail and residential building, and activities incidental thereto, or such other uses as may be reasonably approved in advance in writing by Lender (the "Permitted Uses").

6. **COMPLIANCE WITH LAWS, ORDINANCES, ETC.**

Grantor shall promptly comply with all present and future Legal Requirements, ordinary or extraordinary, foreseen or unforeseen, and all provisions of all instruments of record affecting the Mortgaged Property. Grantor will not make any application to any federal, state or local Governmental Authority for a change in zoning affecting the Mortgaged Property, nor will Grantor consent to any such change, without the prior written consent of Lender.

7. **CHANGES AND ALTERATIONS BY GRANTOR**

Grantor shall have the right from time to time to make changes and alterations in or to the Improvements, at Grantor's expense, subject, however, to the condition that no structural change or alteration, or change which would impair the value of the Mortgaged Property, and no other change or alteration involving an estimated cost of more than $10,000, or $50,000 in the aggregate, shall be undertaken without the prior written consent of Lender.

8. **MECHANICS' AND OTHER LIENS**

Grantor will pay, from time to time when the same shall become due, all claims and demands of contractors, subcontractors, architects, mechanics, materialmen, laborers, and others which, if unpaid, might result in, or permit the creation of, a Lien on any of the Mortgaged Property. Grantor will not create or permit to accrue or suffer to exist any Lien, except Permitted Encumbrances, upon any of the Mortgaged Property, including the Leases and Rents, and shall promptly cause any other Lien whatsoever to be paid and discharged. Grantor shall pay all Liens included in Permitted Encumbrances in accordance with their terms, when and as the same become due.

9. **DAMAGE OR DESTRUCTION**

9.1. **Notice of Casualty; Covenant to Rebuild.** If any Casualty shall occur, Grantor shall promptly give written notice thereof to Lender, describing the damage and the Casualty.

9.2. **Application of Proceeds.** All insurance proceeds shall be paid to Lender and applied by Lender first to payment of the actual costs, fees and expenses, if any, incurred by Lender in connection with proof of
and adjustment of the loss and settlement with the insurance company. The Net Insurance Proceeds shall be applied by Lender: (a) to the payment of the Debt and/or performance of the Obligations, or (b) at Lender’s option, to the payment of any of the cost of the Restoration.

9.3. **Disbursement of Proceeds.** If Net Insurance Proceeds are to be applied to the Restoration, Lender shall hold such Net Insurance Proceeds, together with any amounts and security deposited with Lender pursuant to §§ 9.1 and 10.2 hereof, and advance the same for costs of the Restoration from time to time as the Restoration progresses. Such funds will be advanced upon written request of Grantee, and upon Grantee’s compliance with such reasonable requirements as to the disbursement thereof as Lender shall impose.

9.4. **Amounts Deposited With Lender.** Lender shall have, and Grantee hereby grants to and creates in favor of Lender, a first lien on and security interest in and right of set-off against any sums of money or other security deposited with Lender pursuant to §§9.1 and 10.2 and the proceeds thereof as security for the payment of the Debt and performance of the Obligations.

10. **CONDEMNATION**

10.1. **Notice of Condemnation; Participation.** Grantee shall give Trustee and Lender immediate notice of any actual or threatened Condemnation. In the event that any of the Mortgaged Property shall be taken in Condemnation proceedings, Lender may participate in such Condemnation proceedings. Grantee shall not adjust, contest, accept, reject or compromise any proposed Condemnation Award without approval of Lender (which approval shall not be unreasonably withheld or delayed). Lender may collect the Condemnation Award and endorse any drafts therefor. All Condemnation Awards shall be deposited with Lender. Grantee will execute any and all further documents that may be reasonably required in order to facilitate collection of any Condemnation Award and the payment of any Condemnation Award to Lender.

10.2. **Condemnation.** If a Condemnation shall occur, the Net Condemnation Award received by Lender shall, at the option of Lender, (i) be applied to the payment of the Debt and/or performance of the Obligations, or (ii) be held by Lender and applied and paid over toward the cost of Restoration, substantially in the same manner and subject to the same conditions as those provided in §9 hereof with respect to Net Insurance Proceeds and other monies. In the event that the costs of Restoration shall exceed the Net Condemnation Award received by Lender and made available for the Restoration, Grantee shall deposit with Lender such cash or other security as shall be reasonably satisfactory to Lender with respect to the deficiency.

10.3. **Expenses of Collection.** Trustee and Lender shall be entitled as a first priority to reimbursement out of any Condemnation Award for all reasonable costs and fees of, expenses incurred by, and reimbursements to, the Trustee and Lender with respect to the determination and collection of any Condemnation Award.

10.4. **Voluntary Condemnations.** Neither Grantee nor any Person controlled by or under common control with either Grantee or any Member or any General Partner, will obtain or exercise any power of Condemnation or eminent domain with respect to any of the Mortgaged Property, directly or indirectly, or enter into any agreement with any Person or Governmental Authority with respect to the Condemnation of any of the Mortgaged Property, without the prior written consent of Lender.

11. **EVENTS OF DEFAULT AND REMEDIES**
11.1. **Event of Default Defined.** An "Event of Default" shall exist if any one or more of the following events shall occur and be continuing:

(a) any sum of money coming due under Note A or Note B, whether principal, interest, late charges, or otherwise, is not paid within ten (10) days of the date such money is due;

(b) any sum of money coming due under this Deed of Trust or under any of the other Loan Documents (other than Note A) is not paid when due and such default continues for a period of ten (10) days after written notice thereof from Lender to Grantor;

(c) there shall at any time exist a default or an "Event of Default" under any other Loan Document, and such default shall continue beyond the applicable period of notice and opportunity to cure, if any;

(d) any representation or warranty made by or on behalf of Grantor, or in any Loan Document or in any certificate, financial statement or other document furnished to Lender pursuant to the provisions hereof or of any other Loan Document, shall prove to have been false or misleading in any material respect when made or when deemed to have been made hereunder;

(e) Grantor shall make any Borrower Payment prior to paying off the entire indebtedness evidenced by Note A, or breach the Payment Requirement;

(f) the entry of any lien or encumbrance against any of the Mortgaged Property, except for Permitted Encumbrances;

(g) a default shall occur under any Lien upon any of the Mortgaged Property, if the effect of such default is to cause, or (immediately or upon the giving of notice or passage of time, or both) to permit the holder or holders (or a trustee on behalf of such holder or holders) of the indebtedness secured by such Lien to cause, the indebtedness secured by such Lien to become due prior to its stated maturity or to cause any of the Mortgaged Property to be subject to sale to foreclose or enforce such Lien;

(h) the occurrence of any Transfer prohibited without Lender's consent under this Deed of Trust, unless Lender has given its prior written consent to such Transfer;

(i) insurance on any of the Mortgaged Property is not provided or maintained, or evidence of such insurance is not delivered by Grantor to Lender;

(j) intentionally deleted;

(k) the legal existence of Grantor shall terminate for any reason;

(l) formal charges are filed, or any indictment is issued, by or on behalf of any Governmental Authority under any Forfeiture Law against Grantor, or if proceedings are instituted under any Forfeiture Law for the forfeiture of any of the Mortgaged Property;

(m) the Mortgaged Property or any part thereof which Lender deems to be a material or significant part shall be condemned;
(n) if Grantor or any Member other than Rainen Trust, shall:

(1) voluntarily suspend transaction of its business;

(2) apply for or consent to the appointment of, or the taking of possession by, a receiver, assignee, custodian, trustee, liquidator or sequestrator (or other similar official) of Grantor or any Member or of all or a substantial part of the assets of Grantor or any Member;

(3) become insolvent or be generally unable, or admit in writing an inability, to pay its debts as they mature;

(4) make a general assignment for the benefit of creditors;

(5) commence a voluntary case under the Federal Bankruptcy Code (as now or hereafter in effect);

(6) file a petition seeking to take advantage of any other law relating to the relief of debtors;

(7) fail to controvert in a timely and appropriate manner, or acquiesce in writing to, any petition filed against it in an involuntary case under such Bankruptcy Code; or

(8) take any company, corporate, limited liability company or partnership or other entity action for the purpose of effecting any of the foregoing;

(o) a proceeding or case shall be commenced in respect to Grantor or any Member other than Rainen Trust, seeking:

(1) a decree or order for relief in any involuntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect;

(2) the liquidation, reorganization, dissolution, winding-up or composition or readjustment of debts of any of them;

(3) the appointment of a trustee, receiver, custodian, liquidator or the like of any of them, or any substantial part of their assets; or

(4) similar relief in respect of any of them under any law providing for the relief of debtors;

(p) if Grantor shall default in the performance or observance of or compliance with any covenant, agreement, condition or provision contained in this Deed of Trust and not otherwise specified in this §11, or contained in any of the other Loan Documents and a default under which is not specifically defined as an "Event of Default" under such other Loan Document, and such default shall not be cured within 30 days after notice thereof to Grantor; provided, that if such default is of such nature that it can be cured but not by the mere payment of money, and not within such 30 day period, then Grantor shall have such additional time as
may be required to cure the same (but in no event extending more than 60 days after such notice of default is given to Grantor), if Grantor commences to cure it within said 30 day period (and gives notice to Lender of Grantor’s intention to cure it), and prosecutes such cure with diligence and continuity to completion;

(q) if any material default by Grantor shall occur and continue beyond any applicable notice and cure periods, under any promissory note, credit agreement, guaranty, security agreement or other credit document to which Grantor is a party, whether any such credit document is with Lender or any other creditor, unless waived in writing by Lender or such creditor; or

(r) if any default by Grantor shall occur under any Lease and not be cured within any applicable cure period provided in such Lease.

11.2. Remedies Upon an Event of Default.

(a) Acceleration of Debt. Upon the occurrence of an Automatic Acceleration Event of Default, the entire unpaid Debt (principal, interest and otherwise), shall automatically become immediately due and payable without notice or demand. Upon the occurrence of any other Event of Default, at Lender’s option, the entire unpaid Debt (principal, interest and otherwise), shall become immediately due and payable without notice or demand.

(b) Other Remedies. Upon the occurrence of any Event of Default, Lender and/or Trustee may immediately undertake any one or more of the following:

(1) Foreclosure. Institute an action to foreclose this Deed of Trust, or take such other action as the law may allow, at law or in equity, for the enforcement thereof and realization on the Mortgaged Property, and proceed thereon to final judgment and judicial sale or execution thereon for the entire unpaid balance of the Debt, including interest at the rates and pursuant to the methods of calculation specified in Note A, together with all costs of suit, interest at the Default Rate on any judgment obtained by Lender from and after the date of any judicial sale of the Mortgaged Property until actual payment is made to Lender of the full amount due Lender, and an attorneys’ reasonable fee for collection, any usage or custom to the contrary notwithstanding.

(2) Entry. Lender personally, or by its agents or attorneys, may enter into and upon any of the Mortgaged Property and may exclude Grantor and its agents wholly therefrom without liability for trespass, damages or otherwise and Grantor agrees to surrender possession to Lender on demand after the happening of any Event of Default. Upon such an entry, Lender may: (i) use, operate, manage and control the Mortgaged Property and conduct the business thereof, either personally or by its agents or receivers and exercise all rights and powers of Grantor with respect thereto either in the name of Grantor or otherwise as Lender shall deem best; (ii) restore the Mortgaged Property; (iii) complete the construction of any improvements under construction or renovation and in the course of such completion may make such changes in the contemplated or completed improvements as Lender may deem desirable and may insure the same; and (iv) do all such Maintenance as to Lender may reasonably seem advisable. Lender shall be entitled to collect and receive all Rents, and after deducting the expenses of conducting the business thereof and of all necessary maintenance and amounts necessary to pay for Impositions, premiums for insurance and other proper charges upon any of the Mortgaged Property, as well as just and reasonable compensation for the services of Lender and for all attorneys and agents properly engaged and employed by Lender, Lender shall apply the remaining Rents in such order as Lender may elect, to the payment of the Debt and/or performance of the Obligations, and the
payment of any other sums required to be paid by Grantor under any of the Loan Documents. Lender shall be liable to account only for Rents actually received by Lender.

(3) Receivership. Lender may have a receiver appointed to enter into possession of the Mortgaged Property, collect the Rents and apply the same as the court may direct. Lender shall be entitled to the appointment of a receiver without the necessity of proving either the inadequacy of the security or the insolvency of Grantor or any other Person who may be liable to pay any of the Debt and/or perform any of the Obligations and Grantor and each such Person shall be deemed to have waived such proof and to have consented to the appointment of such receiver. Should Lender or any receiver collect Rents, the moneys so collected shall not be substituted for payment of the Debt nor can they be used to cure the Event of Default, without the prior written consent of Lender. Grantor hereby expressly consents to the appointment of a receiver for the Mortgaged Property upon the occurrence of any Event of Default, and waives any requirement for the posting of any bond or other security in connection with such appointment and such receiver, and for any hearing in connection with such appointment.

(4) Sale of personal property. Lender shall also have such rights and remedies in respect of any of the Personal Property Security and Fixtures as are provided by the Code and such other rights and remedies in respect thereof which Lender may have at law or in equity or under any of the Loan Documents, including the right to take possession of the Mortgaged Property wherever located and to sell all or any portion thereof at public or private sale, without prior notice to Grantor, except as otherwise required by law (and if notice is required by law, after 10 days' prior written notice), at such place or places and at such time or times and in such manner and upon such terms, whether for cash or on credit, as Lender in its sole discretion may determine. Lender shall apply the proceeds of any such sale first to the payment of the reasonable costs and expenses incurred by Lender in connection with such sale or collection, including reasonable attorney's fees and legal expenses, and second to the payment of the Debt and performance of the Obligations, and then to pay the balance, if any, as required by law. Upon the occurrence of any Event of Default Grantor, upon demand by Lender, shall promptly assemble any personal property and Fixtures included in the Mortgaged Property and make it available to Lender at the Land. Both Grantor and Lender shall be eligible to purchase any part or all of such property at any such disposition.

(5) Power of Sale for the Mortgaged Property. Lender may elect to cause any of the Mortgaged Property to be sold as follows:

(A) Lender may proceed as if all of the Mortgaged Property were real property in accordance with §11.2(b)(5) hereof, or Lender may elect to treat any of the Mortgaged Property which consists of a right in action or which is property that can be severed from the Land and Improvements without causing structural damage thereto as if the same were personal property and dispose of the same in accordance with §11.2(b)(4), separate and apart from the sale of real property, the remainder of the Mortgaged Property being treated as real property.

(B) Should Lender request and direct Trustee to sell the Mortgaged Property or any part thereof which is real property or which Lender has elected to treat as real property, upon such election, Trustee may proceed to foreclose this Deed of Trust in respect of said real property in the following manner: Trustee at the request of the Lender shall proceed to take possession and to sell any of the Mortgaged Property, in whole or in one or more parcels, at public venue, to the highest bidder, for cash, at a front door (to be designated by Trustee) of the building then appointed for holding of foreclosure sales by the Circuit Court of the county in the State in which the Land is situate (the "County"), or at Trustee's option, Trustee may set the
place of such sale at any reasonable place, as permitted by §443.327 of the Revised Statutes of Missouri, first giving notice of such sale in the manner prescribed by statute. Trustee may in the Trustee's discretion set the time of any such sale at any commercially reasonable time, as permitted by §443.327 of the Revised Statutes of Missouri. Upon such sale, Trustee shall execute and deliver a deed of conveyance of the property sold to the purchaser or purchasers thereof. Trustee shall receive the proceeds of said sale out of which the Trustee shall pay (i) the costs and expenses of executing this trust, including lawful compensation to the Trustee for his services as provided by statute, and a reasonable attorney's fee, which shall be immediately due upon first publication of sale; (ii) to Lender, upon the usual vouchers therefor, any of the Debt, including money advanced for ground rents, improvements, insurance, Maintenance,抽象, title reports, judgments upon statutory lien claims and any other advances hereunder and interest thereon at the Default Rate, as herein provided; (iii) the amount unpaid on the Debt, including the interest accrued thereon at the Default Rate; (iv) the remaining Obligations; and (v) the balance of such proceeds, if any, shall be paid as required by law. The purchaser at any foreclosure sale shall not be obligated to look to the application of the proceeds thereof. If the Lender should become the purchaser, it shall be entitled to credit any of the unpaid balance of the Debt against the amount of the purchase price. The Trustee covenants faithfully to perform the Trust herein created. The purchaser at any sale of foreclosure sale hereunder may disaffirm any easement granted or Lease made in violation of any provision of this Deed of Trust, and may take immediate possession of the Mortgaged Property free from, and despite the terms of, such grant of easement or Lease. Grantor hereby expressly waives any right which Grantor may have to direct the order in which any of the Mortgaged Property shall be sold in the event of any sale or sales pursuant hereto. In the event of a sale or other disposition of any of the Mortgaged Property, and the execution of a deed or other conveyance pursuant thereto, the recitals in such deed or conveyance of facts, such as default, the giving of notice of default and notice of sale, terms of sale, purchaser, payment of purchase money, and any other fact affecting the regularity or validity of such sale or disposition, shall be conclusive proof of the truth of such facts; and any such deed or conveyance shall be conclusive against all persons as to such facts recited therein. In case of any sale under this Deed of Trust by virtue of judicial proceedings, or under the power of sale, the Mortgaged Property may be sold in one parcel and as an entirety or in such parcels, manner or order as Lender in its sole discretion may elect. Notwithstanding anything to the contrary contained herein, Trustee shall (to the extent permitted by applicable law) allocate or apply the proceeds of sale (including the amount of any credit bid) in such manner and in such priority as Lender may elect in its sole and absolute discretion.

(C) Lender may cause any such sale or other disposition to be conducted immediately, or Lender may delay any such sale or other disposition for such period of time as Lender deems to be in its best interest. Should Lender desire that more than one such sale or other disposition be conducted, Lender may, at its option, cause the same to be conducted simultaneously, or successively on the same day, or at such different days or times and in such order as Lender may deem to be in its best interest.

(D) Lender, at its option, may set aside any declared acceleration of maturity of Note A, whereupon the terms and provisions herein stated and the covenants, terms and conditions in this Deed of Trust shall revive and continue with the same force and effect as if such acceleration had not occurred.

(E) Upon the occurrence of an Event of Default hereunder, Lender in pursuance of the foregoing remedies, or in addition thereto, shall be entitled to resort to its several securities for the payment of the sums secured hereby in such order and manner as Lender may think fit without impairing Lender's lien in, or rights to, any of such securities and without affecting the liability of any Person for the Debt.

11.3. Waivers and Releases.
(a) Consent to Jurisdiction, Venue, etc. Grantor hereby consents to the jurisdiction of the courts of the State in and for the county in which the Mortgaged Property is located with respect to any action, suit or other legal proceeding commenced by Lender pursuant to any of the Loan Documents, and hereby waives any right to transfer any such action to any other court.

(b) Waiver of Redemption. Grantor hereby wholly waives the period of redemption and any right of redemption of any of the Mortgaged Property after sale under this Deed of Trust, or sale upon foreclosure of this Deed of Trust, as provided under any law of the State now or hereafter in effect. If title to any of the Mortgaged Property shall become vested in any Person who shall not waive (or who shall not be legally capable of waiving) the right of redemption in the event of foreclosure of (sale under) this Deed of Trust, then such transfer of title shall constitute an Event of Default.

(c) Waiver of Marshalling, etc. Grantor, for itself and its successors in title, hereby waives all rights at law or in equity to have the Mortgaged Property marshaled in the event of the foreclosure of this Deed of Trust. Grantor will not at any time insist upon, plead, or in any manner whatsoever claim or take any benefit or advantage of any present or future laws pertaining to the administration of the estates of decedents, exempting any of the Mortgaged Property from attachment, levy or sale under execution, or providing for any stay of execution, exemption from civil process, or extension of time for payment, or providing for the valuation or appraisal of any of the Mortgaged Property prior to any sale or sales thereof which may be made pursuant to any provision herein, or pursuant to the decree, judgment or order of any court. Grantor hereby covenants not to hinder, delay or impede the execution of any power herein granted or delegated to Lender, but to suffer and permit the execution of every power as though no such law or laws had been made or enacted.

(d) Waiver of Notices. Grantor hereby waives all notices not herein elsewhere specifically required, of Grantor's default or of Lender's exercise, or election to exercise, any option or election under this Deed of Trust.

(c) Waiver of Personal Service. Grantor hereby waives personal service of process in any action or proceeding at any time commenced to enforce this Deed of Trust, and agrees that such process shall be deemed properly and adequately served if sent to Grantor at the address provided in or pursuant to §12 hereof for the giving of notices to Grantor, by certified or registered mail, return receipt requested, in the manner provided in §12 hereof for the giving of notices to Grantor.

(f) Foreclosure Subject to Leases. In the event that Lender shall have the right to foreclose this Deed of Trust, Grantor authorizes Lender at its option to foreclose subject to the rights of any tenants, and the failure to make any such tenants parties to any such foreclosure proceeding and to foreclose their rights will not be asserted by Grantor as a defense to any proceeding instituted by Lender to collect any of the Debt or any deficiency after foreclosure.

12. Notices

12.1. Addresses. All notices, demands, requests and consents required under this Deed of Trust shall be in writing, and shall be deemed properly given: (a) if delivered personally; (b) if sent by United States certified or registered mail with return receipt requested; (c) if sent by Federal Express or other overnight delivery service; or (d) if sent by facsimile transmission, confirmed by certified or registered mail with return receipt requested, in each such case (except for personal delivery), with postage or charges prepaid or billed to
sender, and addressed if to Grantor at the Grantor’s address hereinabove set forth, or if to the Trustee, at the Trustee’s address hereinabove set forth, or if to the Lender, at the Lender’s address hereinabove set forth, or at such other address or addresses as any party hereto may hereafter designate for itself by written notice to each other party hereto.

12.2. Manner of Delivery. Notices, demands and requests hereunder shall be deemed sufficiently served or given for all purposes hereunder on the earlier of the date of actual receipt, or: (a) if served by certified or registered mail, three days after the time such notice, demand or request shall be deposited for mailing in any Post Office or Branch Post Office regularly maintained by the United States Postal Service; (b) if sent by overnight delivery service, on the day following delivery thereof to such overnight delivery service; or (c) if sent by facsimile transmission, with confirmation by certified or registered mail, on the date such facsimile transmission is received by the Person to whom it is sent.

13. CERTAIN SECURITY AGREEMENT PROVISIONS

13.1. Status of Grantor. Grantor’s exact legal name is correctly set forth at the end of this Deed of Trust. Grantor is an organization of the type specified in the first paragraph of this Deed of Trust. Grantor is incorporated in or organized under the laws of the Formation State. Grantor will not cause or permit any change to be made in its name, identity or corporate, limited liability company or partnership structure unless the Grantor shall have first notified the Lender in writing of such change at least 30 days prior to the effective date of such change, and shall have first taken all action required by the Lender for the purpose of perfecting or protecting the lien and security interest of the Lender. Grantor’s principal place of business and chief executive office, and the place where Grantor keeps its books and records, including recorded data of any kind or nature, regardless of the medium or recording, including software, writings, plans, specifications and schematics, has been for the preceding four months (or, if less, the entire period of the existence of the Grantor) and will continue to be the address of the Grantor set forth at the end of the Deed of Trust (unless Grantor notifies the Lender in writing at least 30 days prior to the date of such change). Grantor’s organizational identification number, if any, assigned by the state of incorporation or organization is correctly set forth in §14(c) of this Deed of Trust. Grantor shall promptly notify the Lender of any change in its organizational identification number. If Grantor does not now have an organizational identification number and later obtains one, the Grantor promptly shall notify the Lender of such organizational identification number.

13.2. Authorization to File Financing Statements; Power of Attorney. Grantor hereby authorizes the Lender at any time and from time to time to file any initial financing statements, amendments thereto and continuation statements with or without the signature of the Grantor as authorized by applicable law, as applicable to all or part of the Mortgaged Property. For purposes of such filings, the Grantor agrees to furnish any information requested by the Lender promptly upon request by the Lender. Grantor also ratifies its authorization for the Lender to have filed any like initial financing statements, amendments thereto and continuation statements, if filed prior to the date of this security instrument. Grantor hereby irrevocably constitutes and appoints the Lender and any officer or agent of the Lender, with full power of substitution, as its true and lawful attorneys-in-fact with full irrevocable power and authority in the place and stead of the Grantor or in the Grantor’s own name to execute in the Grantor’s name any documents and otherwise to carry out the purposes of this §13.1, to the extent that the Grantor’s authorization above is not sufficient. To the extent not prohibited by law, Grantor hereby ratifies all acts said attorneys-in-fact have lawfully done in the past or shall lawfully do or cause to be done in the future by virtue hereof. This power of attorney is coupled with an interest and shall be irrevocable.
14. NON WAIVER, ETC.

14.1. Waiver Not Affecting Deed of Trust. No failure by Lender to insist upon the strict performance by Grantor of any of the provisions hereof shall be deemed to be a waiver of any of the provisions hereof, and Trustee and Lender, notwithstanding any such failure, shall have the right thereafter to insist upon the strict performance by Grantor of all of the provisions of this Deed of Trust. Neither Grantor nor any Person liable for the payment of any of the Debt or the performance of any of the Obligations, nor any Person giving security for any of the Debt or for the performance of any of the Obligations, shall be relieved of any of such respective obligations, nor shall any security given by any of them be released, nor the position of any subordinate lienholder be improved, by reason of: (a) any failure by Lender to comply with any request by Grantor or of any other Person so obligated to foreclose or otherwise enforce this Deed of Trust, (b) the release, regardless of consideration, of any of the security held for payment of any of the Debt and/or the performance of any of the Obligations; (c) any agreement or stipulation between any subsequent owner or owners of the Mortgaged Property and Lender extending the time of payment or modifying the terms of Note A, or any of the Loan Documents; (d) any grant of forbearance or extension of time for the payment of any of the Debt or the performance of the Obligations; (e) Lender's acceptance of any other or additional security for the payment of any of the Debt or the performance of any of the Obligations; (f) Lender's waiver of or failure to exercise any right granted herein or in any of the Loan Documents; (g) any changes hereafter made in any of the terms, covenants, conditions or agreements of this Deed of Trust or in any other Loan Document; (h) Lender's giving of consent to the filing of any map, plat, replat or condominium declaration affecting any of the Mortgaged Property; (i) Lender's giving of consent to the granting of any easement or other right affecting the Mortgaged Property; or (j) Lender's making or consenting to any agreement subordinating the lien hereof.

14.2. Right to Cure Defaults. If Grantor shall fail to fully and timely perform any of the Obligations, Lender shall be under no obligation to take action to correct such failures. However, at its option, Lender may take such action and expend such sums as Lender deems necessary to correct such failures and/or any consequences thereof. Such action or payment by Lender shall not constitute a waiver by Lender of the performance of said act, and Lender may treat Grantor's failure to perform such act as a default (and, upon expiration of any applicable grace period, an Event of Default) notwithstanding Lender's having undertaken (or completed) the performance of the act. Grantor will repay to Lender upon demand any amounts expended by Lender to correct each such failure and/or any consequences thereof, and all expenses of Lender in taking such action, with interest at the Default Rate from the incurring of such expense or the making of such payment, as the case may be. The payment of such amounts to Lender shall be secured by this Deed of Trust.

15. GENERAL COVENANTS

15.1. Estoppel Certificate. Grantor, within twenty (20) days upon request by mail, will furnish a duly acknowledged written statement in form reasonably satisfactory to Lender setting forth the amount of the Debt then secured by this Deed of Trust, and stating either that no offsets or defenses exist against the Debt, or if such offsets or defenses are alleged to exist, the nature and extent thereof, and containing such other matters as Lender shall reasonably request.

15.2. Leader and Trustee Expenses. Grantor shall promptly pay upon request all expenses and costs incurred by Lender or Trustee, including reasonable attorney's fees, together with interest thereon at the Default Rate from the date of the payment by Lender or Trustee, in connection with.
(a) any action, proceeding, litigation or claim instituted or asserted by or against Lender and/or Trustee or in which Lender and/or Trustee becomes engaged, wherein it becomes necessary in the opinion of Lender and/or Trustee to protect Lender’s or Trustee’s interests in the Mortgaged Property or the security afforded hereby, or by any of the Loan Documents, or to defend or uphold the Lien of this Deed of Trust, or the validity or effectiveness of any assignment of any claim, award, payment, insurance policy or any other right or property conveyed, encumbered or assigned by Grantor to Trustee or Lender under this Deed of Trust, or the priority of any of the same;

(b) any further assurances requested by Lender under §2.7, or any other provision hereof, including all filing and recording costs and costs of searches;

(c) all taxes, fees and other assessments, including stamp taxes, if any, upon any documents or transactions contemplated by this Deed of Trust or in connection with the recording and filing of any Loan Document;

(d) the collection and/or enforcement of any Debt and/or Obligations, including the realization upon any of the Mortgaged Property or other security for any of the Debt or Obligations; and

(e) the collection and application of any insurance proceeds and Condemnation Awards.

All such expenses and costs, with interest thereon at the Default Rate as provided above, shall be added to and become part of the Debt and be secured by this Deed of Trust; provided, however, that in any action to foreclose this Deed of Trust or to recover or collect the sums due hereunder, the provisions of law and of this Deed of Trust relative to the recovery of costs, disbursements, commissions, allowances and attorneys’ fees, shall prevail over any conflicting requirements of this §15.2. The provisions of this §15.2 shall survive payment of the Debt and performance of the Obligations and any release of, or reconveyance under, this Deed of Trust.

Notwithstanding anything herein seemingly to the contrary, Lender is solely responsible and liable for paying all of its loan origination expenses and costs, including, without limitation, any and all attorneys’ fees and expenses, closing costs, recording fees, UCC/tax/lien/bankruptcy search fees and any other costs relating to the origination, underwriting, drafting, negotiation, execution and recording of the Loan and Loan Documents. Notwithstanding the immediately preceding sentence, Grantor will pay for Lender’s standard title insurance premiums, including the cost of each endorsement to Lender’s title insurance policy which Borrower similarly procured for its owner’s title insurance policy.

15.3. **Taxation of Deed of Trust.** In the event of the passage after the date of this Deed of Trust of any law deducting from the value of the Mortgaged Property for the purpose of taxation any Lien thereon, or changing in any way the laws now in force for the taxation of mortgages or deeds of trust, or debts secured thereby, so as to adversely affect the interest of Lender, then the Grantor shall bear and pay the full amount of such taxes, provided that if payment by Grantor of any such new or additional taxes would be unlawful or would render the Debt wholly or partially unenforceable, Lender may, at Lender’s option, declare the whole sum secured by this Deed of Trust, with interest thereon, to be due and payable on a date to be specified in a written notice to Grantor, which shall be not less than 60 days after the date such notice is given.

15.4. **Amendments.** No provision of this Deed of Trust shall be changed, altered, modified or released except by an agreement in writing signed by Grantor and Lender. No compliance with or failure to
comply with any provision of this Deed of Trust shall be waived or excused except by a written instrument executed by Lender.

15.5. **Usury Savings Provision.** It is the intention of the parties to conform strictly to the Usury Laws. All agreements contained in the Loan Documents are expressly limited so that in no contingency or event whatsoever, whether by reason of the making of advances on account of the Loan, or under any of the Loan Documents, or acceleration of maturity of the unpaid principal balance of the Loan or otherwise, shall the amount paid or agreed to be paid by or on behalf of Grantor to the Lender for the use, forbearance or detention of money exceed the highest lawful rate permissible under any applicable Usury Law. If, from any circumstances whatsoever, compliance with any of the Loan Documents, at the time performance thereunder shall be due, shall involve transcending the limit of validity under any Usury Law then, **ipso facto,** the obligations to be fulfilled shall be reduced to the limit of such validity. If Lender shall ever receive as interest an amount which would exceed the highest lawful rate, such amount which would be excessive interest shall be applied to the reduction of the unpaid principal balance due under Note A and not to the payment of interest. This provision shall control every other provision of all agreements between Grantor and Lender; provided, however, that there shall be no automatic reduction of such payments or obligations as to any party barred by law from availing itself in any action or proceeding of the defense of usury, or any party barred or exempted from the operation of any Usury Law, or in the event and to the extent the Loan, because of its amount or purpose or for any other reason, is exempt from the operation of the Usury Law. All sums paid or agreed to be paid to Lender for the use, forbearance or detention of any of the Debt or for the Obligations outstanding from time to time shall, to the extent permitted by applicable law, and to the extent necessary to preclude exceeding the limit of validity prescribed by law, be amortized, prorated, allocated and spread from the earliest date of disbursement of any of the proceeds of Note A until payment in full of the principal balance of the Debt and the Obligations so that the actual rate of interest on account of such Debt and Obligations is uniform throughout such term.

15.6. **Subrogation.** Lender shall be subrogated, notwithstanding their release of record, to any Liens, superior titles, rights, equities and charges of all kinds heretofore or hereafter existing on the Mortgaged Property to the extent that the same are paid or discharged from the proceeds of the Loan or are otherwise paid by Lender.

15.7. **Lost Note.** If Note A shall be mutilated, destroyed, lost or stolen, Grantor will deliver to Lender in substitution therefor a new promissory note containing the same terms and conditions as Note A with a notation thereon of the unpaid principal and accrued but unpaid interest. Grantor shall be furnished with reasonably satisfactory evidence of the mutilation, destruction, loss or theft of Note A.

15.8. **Application of Moneys.** Whenever in this Deed of Trust Lender is to apply, or shall elect to apply, any sum of money to payment of any of the Debt, or to performance of any of the Obligations, Lender may so apply such sums to principal, interest, costs and expenses, or otherwise, all in such order of priority as Lender may elect, unless a different order of priority is required by applicable law.

15.9. **Lender Not Liable; Indemnity.** Neither Trustee nor Lender shall be responsible or liable in any way for any condition in or upon any of the Mortgaged Property (whether or not discovered by Lender), or any defects in any of the Mortgaged Property or any personal injury, death, damage to property, loss, cost, liability, damage or expense in any way arising out of or connected with the condition or maintenance of any of the Mortgaged Property or any construction or other work thereon, or Grantor's use and occupancy of the Mortgaged Property. Grantor will indemnify, defend and hold Lender and the Trustee harmless from and against all such liability and responsibility. The provisions of this §15.9 shall survive the payment of the Debt,
performance of the Obligations, release of this Deed of Trust and the reconveyance of the Mortgaged Property. It is acknowledged by Lender and Grantor that Lender was the prior record owner of the Mortgaged Property, Leases/Rents and certain personal property (as described in that certain Real Estate Purchase Contract dated February 28, 2005), and therefore Lender waives, releases and agrees not to make any claim or bring any cost recovery action against Grantor for breach of any representations, warranties, covenants or obligations contained herein to the extent such breach arises out of the status of the Mortgaged Property, Leases/Rents or such personal property prior to the date of this Deed of Trust, including, without limitation, Environmental Activities which arise out of events occurring prior to the date hereof.

15.10. **Lease Priority.** This Deed of Trust shall not be subordinate to any Lease, unless Lender enters into a separate agreement with the tenant for such subordination. Each Lease hereafter made shall: (a) require the tenant to enter into an agreement with Lender, if Lender so requests, which will provide that, in the event of the sale of any of the Mortgaged Property under the power of sale herein contained, or under any judicial foreclosure hereof, or of a deed in lieu of foreclosure, such tenant will, upon the written request of any Person succeeding to the interest of Grantor as the result of said sale or deed, automatically become the tenant of any such successor in interest, without any change in the terms or other provisions of the Lease, and that said successor in interest shall not be bound by (i) any payment of rent for more than one (1) month in advance, (ii) any provision requiring the return of any security deposit or prepayment in the nature of security for the performance by said Tenant of its obligations under said Lease, or any provision entitling the Tenant to credit any such amounts to its obligations under its Lease, or (iii) any amendment or modification in the Lease made without the consent of Lender or any such successor in interest (which consent shall not be unreasonably withheld or delayed); and (b) require the tenant, upon Lender's request, to enter into an agreement in recordable form with Lender to provide, at the option of Lender, that this Deed of Trust shall become subject and subordinate, in whole or in part (but not with respect to priority of entitlement to any Condemnation Awards or insurance proceeds), to such tenant's Lease. Grantor shall join in any of such agreements if Lender so requests. On request of Lender, Grantor shall use its best efforts to obtain from the tenant and furnish to Lender the agreements required by this §15.10, all of which agreements shall be in form and substance reasonably satisfactory to Lender.

15.11. **Grantor’s Business Activity.** At all times until the Debt is paid and this Deed of Trust is released, Grantor covenants to Lender that it's sole business activity will be the ownership, operation, development, rehabilitation, renovation, leasing, maintenance and sale of the Mortgaged Property as a mixed-use office, retail and residential building. Grantor further covenants to Lender that all funds received from the transfer or sale of the Tax Credits (as defined in §20.7) will be used for the financing of the acquisition, operation, development, rehabilitation, renovation and maintenance of the Mortgaged Property.

16. **TRANSFER OF MORTGAGED PROPERTY**

16.1. **Restrictions Upon Transfer.** Lender has made the Loan in reliance in part upon the management and development skills of Grantor. Accordingly, without the prior written approval of Lender, Grantor, except as may be permitted by §16.2 hereof, shall not allow a Transfer to occur, and any such prohibited act shall be an Event of Default.

16.2. **Permitted Transfers.** Notwithstanding the provisions of §16.1 hereof, Grantor shall have the right and authority to Transfer its interests (a) in the Garage Property to the City of Kansas City, Missouri or its designee, for the development of a parking garage thereon, and (b) in the Mortgaged Property pursuant to Article XII of the Operating Agreement, provided, all requirements and obligations of the Operating
Agreement regarding a Transfer pursuant to such Article XII shall be complied with and such transferee shall assume all of Grantor's obligations under the Loan Documents. Lender shall have the right to condition its consent to any Transfer prohibited by §16.1 hereof, except for the Transfer described in the first sentence of this §16.2, upon the payment of a fee or charge and/or upon an increase in the rate of interest and/or changes in the other provisions of any of the Loan Documents. References in this Deed of Trust to proceeds of any of the Mortgaged Property are not intended as a consent to, and do not authorize, any Transfer of any of the Mortgaged Property, except for the Transfer described in the first sentence of this §16.2. In the event of Transfer of the Garage Property as described in (a) of the first sentence of this §16.2, and subject to terms of §16.3 below, Lender shall cooperate with Grantor to effectuate such Transfer, including promptly executing and recording a partial deed of release which releases said Garage Property from the Lien hereof.

16.3. **Garage Property.** The terms and conditions of §13.3 of the Loan Agreement shall apply to the Transfer of the Garage Property permitted by §16.2 (the "Garage Transfer").

17. **CONCERNING THE TRUSTEE**

17.1. **Duties and Obligations of Trustee.** Grantor agrees that: (a) the duties and obligations of Trustee shall be determined solely by the express provisions of this Deed of Trust, Trustee shall not be obligated to perform any duties except those specifically set forth herein, and no implied covenants or obligations shall be imposed upon Trustee; (b) no provision of this Deed of Trust shall require Trustee to expend or risk its own funds, or otherwise incur any financial obligation in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers; (c) Trustee may consult with counsel of its own choosing and the advice of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in reliance thereon; and (d) Trustee shall not be liable for any action taken by it in good faith and reasonably believed by it to be authorized or within the discretion or rights or powers conferred upon it by this Deed of Trust. Trustee hereby agrees with Lender that Trustee will act for a nominal consideration in routine matters (e.g., execution of partial release of security, extension agreements, modification agreements or satisfactions) with respect to this Deed of Trust. In the event of foreclosure, Trustee will serve for a Trustee's commission in an amount to be agreed upon and mutually satisfactory to Trustee and to Lender. If Lender determines that there shall be a substitute Trustee for any reason, or for no reason, Trustee will supply a recordable resignation at the request of Lender. Trustee shall also have the right to resign hereunder at any time by written notice of resignation given to Lender and Grantor.

17.2. **Successor Trustee.** Except as may be prohibited by law, the Lender is hereby granted full power at any time to appoint a successor or substitute Trustee by instrument properly executed, acknowledged and filed for record in the office where this Deed of Trust is to be recorded for any reason satisfactory to Lender, and such successor or substitute Trustee, from and after the making of such appointment, shall have and possess all of the powers, authorities, duties and obligations vested in and upon the Trustee designated in this Deed of Trust. The authority hereby granted shall extend to the appointment of other successor and substitute trustees successively until the Debt has been fully paid and the Obligations fully performed.

17.3. **Indemnity to Trustee.** Grantor shall indemnify, defend and hold the Trustee harmless, from and against any and all loss, damage, liability, cost and expense, including reasonable attorney's fees, suffered or incurred by Trustee in connection with any act or omission to act of Trustee under this Deed of Trust, and in connection with any action or proceeding in which Trustee shall be made a party or shall join, relating to any of the Mortgaged Property, this Deed of Trust, or any of the transactions contemplated by the Loan
Documents. The provisions of this §17.3 shall survive payment of the Debt, performance of the Obligations, and the release of this Deed of Trust and reconveyance of the Mortgaged Property.

18. FUTURE ADVANCES

In addition to the indebtedness evidenced by Note A and all other Debt, this Deed of Trust, to the fullest extent permitted by the law of the State, shall secure also and constitute a Lien on the Mortgaged Property for all future advances made by Lender to Grantor and future obligations incurred by Grantor to Lender in connection with the Mortgaged Property or the Loan to the same extent as if such future advances were made or such future obligations incurred on the date of the execution of this Deed of Trust. The total amount of the indebtedness that may be secured by this Deed of Trust shall not exceed a maximum principal amount equal to $6,250,000.00 plus future advances and/or future obligations made or incurred for the reasonable protection of the security or to enable completion of a contemplated improvement, all as contemplated by §443.055, Missouri Revised Statutes, and this instrument is to be governed by said §443.055.

19. ENVIRONMENTAL MATTERS

19.1. Environmental Covenants. Grantor hereby covenants and agrees with Lender as follows:

(a) In the event that there shall be filed a lien against the Mortgaged Property by any Governmental Authority, arising from an intentional or unintentional action or omission of Grantor and resulting in the releasing, spilling, pumping, pouring, emitting, emptying or dumping of any Hazardous Substance by Grantor, then Grantor shall, within thirty (30) days after the date that Grantor is given notice that the lien has been placed against the Mortgaged Property or within such shorter period of time in the event that the holder of such lien has commenced steps to cause the Mortgaged Property to be sold pursuant to the lien, either (A) pay the claim and remove the lien from the Mortgaged Property, or (B) furnish a cash deposit or a bond reasonably satisfactory to Lender in the amount of the claim out of which the lien arises, or other security reasonably satisfactory to Lender in an amount sufficient to discharge the claim out of which the lien arises. Notwithstanding any other provision of this Deed of Trust, any default by Grantor under this §19.1(a) which continues beyond the end of said thirty (30) day period, time being of the essence, shall be an Event of Default under this Deed of Trust.

(b) If any Governmental Authority serves upon Grantor a directive to remove or arrange for the removal or discharge of any Hazardous Substance in, under or on the Mortgaged Property, Grantor agrees that the repayment of the Loan may, at Lender's election, be accelerated unless Grantor shall have complied with such directive within thirty (30) days from its date, time being of the essence, to the satisfaction of the Governmental Authority involved.

(c) Promptly following completion of any actions imposed upon any Grantor under any Environmental Requirements, Grantor shall obtain and deliver to Lender certifications of environmental consultants acceptable to Lender, in form and substance reasonably satisfactory to Lender, stating that all action required by any Environmental Requirement has been taken, and that upon completion of such action, the Mortgaged Property, to the knowledge of such professional, is then in compliance with the applicable Environmental Requirements.

(d) Grantor shall promptly after obtaining knowledge thereof advise Lender in writing of (i) any governmental or regulatory actions instituted or threatened in writing under any Environmental Requirements.
affecting the Mortgaged Property or any Indemnity hereunder including, without limitation, any notice of inspection, abatement or noncompliance, (ii) all claims made or threatened in writing by any third party against Grantor or the Mortgaged Property relating to any Hazardous Substance or to any alleged violation of an Environmental Requirement, and (iii) Grantor’s actual knowledge of any occurrence or condition on the Mortgaged Property which could, in Grantor’s reasonable judgment, subject Grantor or the Mortgaged Property to a claim under any Environmental Requirement or to any restrictions on ownership, occupancy, transferability or use of the Mortgaged Property under any Environment Law. Grantor shall deliver to Lender all such documentation and records relating to any matter, notice of which is required by this §19.1, as Lender may reasonably request.

19.2. Indemnities. Except to the extent resulting from Lender’s gross negligence or willful misconduct, Grantor shall indemnify, defend, and hold the Lender harmless from and against any and all Environmental Claims that are asserted at any time against the Lender or the Mortgaged Property, and any and all losses, liabilities, damages, expenses (including reasonable attorneys’ fees and disbursements), that Lender suffers or incurs as a result of any such Environmental Claim or the assertion of any such Environmental Claim (whether such Environmental Claim is meritorious or not). The provisions of this §18.2 shall survive the payment of the Debt, the performance of the Obligations and the release and satisfaction of this Deed of Trust.

19.3. No CERCLA Claim Against Lender. Grantor hereby waives, releases and agrees not to make any claim or bring any cost recovery action against Lender under the Comprehensive Environmental Response Compensation and Liability Act of 1980 (42 U.S.C. §9601 et seq.), as now and hereafter amended ("CERCLA") or any state equivalent, or any similar law now existing or hereafter enacted, nor for contribution or indemnity from Lender.

19.4. No Control of Grantor by Lender. Grantor hereby acknowledges and agrees that Lender has not participated, and shall not participate, in the management of Grantor and that any indicia of ownership which Lender may have in and to the Mortgaged Property by virtue of this Deed of Trust and the other Loan Documents (and the rights granted to Lender therein) is primarily to protect Lender’s security interest and lien in and to the Mortgaged Property, including the ten percent (10%) interest in Grantor pledged to Lender under the Pledge Agreement.

19.5. Right to inspect, etc. Lender, in person or by agent, shall have the right, but not the obligation, at any time and from time to time to enter upon the Mortgaged Property, take samples, review Grantor's books and records, interview Grantor’s employees and officers, and conduct similar activities to ascertain the status of Grantor's compliance with this §19. Grantor shall cooperate in the conduct of such an audit. Such entry may be made at any time or times upon not less than 48 hours prior written notice to Grantor. In addition, Lender may have tests (which may include drilling and sampling, among other things) and audits of the Mortgaged Property done for the purpose of testing for evidence of noncompliance. If at the time such tests or audits are done, an Event of Default exists, or if such tests or audits done at any time show that Grantor is not in compliance with this §19, or if Lender reasonably believes that Grantor is in default under this §19, then all of Lender’s costs, fees and expenses incurred in connection with such tests and audits shall be paid for by the Grantor.

20. DEFINITIONS, CONSTRUCTION AND INTERPRETATION

20.1. Governing Law. This Deed of Trust shall be construed and enforced in accordance with the internal laws (without regard to the conflict of laws rules) of the State. Notwithstanding anything to the
contrary contained in this Deed of Trust or in any other document described herein, Grantor expressly consents to jurisdiction in the courts and laws of the State, and consents to the applicability of the laws of the State, with respect to any personal liability and any action for a deficiency judgment, whether before or after any exercise of a power of sale or any judicial foreclosure.

20.2. **Successors and Assigns.** All of the grants, obligations, covenants, agreements, terms, provisions and conditions herein shall run with the Land, and shall apply to, bind and inure to the benefit of, the successors of Grantor and any subsequent owner of the Land or the Improvements, and the successors of Lender and any subsequent holder of Note A.

20.3. **Provisions Severable.** If any term or provision of this Deed of Trust or the application thereof to any person or circumstances shall, to any extent, be invalid or unenforceable, the remainder of this Deed of Trust, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Deed of Trust shall be valid and be enforced to the fullest extent permitted by law.

20.4. **Multiple Counterparts.** This Deed of Trust may be executed in any number of counterparts and by the parties hereto on different counterparts. Each such counterpart shall for all purposes be deemed to be an original and all such counterparts shall together constitute but one and the same Deed of Trust. Executed signature pages to any counterpart instrument may be detached and affixed to a single counterpart, which single counterpart with multiple executed signature pages affixed thereto constitutes the original counterpart instrument. All of these counterpart pages shall be read as though one and they shall have the same force and effect as if all of the parties had executed a single signature page.

20.5. **Other Interpretive Provisions.** As used herein, the following words and phrases shall have the following meanings: (i) "including" shall mean "including but not limited to"; (ii) "provisions" shall mean "provisions, terms, covenants and/or conditions"; (iii) "any of" shall mean all or any part of or interest in that with respect to which such phrase is used.

20.6. **Miscellaneous Provisions.** Whenever used herein, the singular number shall include the plural, the plural shall include the singular, and the use of any gender shall be applicable to all genders. If any provision of this Deed of Trust shall conflict with any provision of any other Loan Document, the provision of the document which shall enlarge the interest of the Lender in the Mortgaged Property, afford the Lender greater financial security in the Mortgaged Property and/or assure payment of the Debt and performance of the Obligations in full, shall control. Except as otherwise expressly stated herein, with respect to any matters which, under this Deed of Trust, Lender shall have the right to approve, consent to, be satisfied with, exercise its judgment with regard to or calculate, the decisions of Lender with respect to such matters shall be made in the sole discretion of Lender, may be given or withheld without regard to reasonableness, and shall be final and conclusive. The headings and captions in this Deed of Trust are for convenience only, and are not to be construed as defining or limiting in any way the scope or intent of the provisions of this Deed of Trust. The granting of consent by Lender to any matter as to which such consent is required by the provisions hereof shall not be deemed a waiver of the right to require consent to future or successive matters. If any of the Mortgaged Property could, under applicable law, be treated either as personal property or as a part of the real estate, or if it is unclear whether such property is real property or personal property, it is the intention of Grantor and Lender that such property be treated for all purposes hereunder as real estate. Each of the parties have participated in the negotiation and preparation of this Deed of Trust, with the advice of counsel, and this Deed of Trust shall not be construed against any party by reason of that party having prepared the initial draft, or subsequent
versions, of this Deed of Trust. This Deed of Trust shall be non-recourse, and shall secure only Grantor’s rights and interests in the Mortgaged Property and not the individual property or assets of any Member of Grantor.

20.7. Assignment of Historic Rehabilitation Tax Credits.

(a) As used in this Deed of Trust, "Tax Credits" shall mean all federal and state historic rehabilitation tax credits allocable with respect to the Mortgaged Property, including, without limitation, the historic rehabilitation tax credits provided for in Section 47 of the Internal Revenue Code of 1986, as amended, and the historic rehabilitation tax credits provided for in Section 253.550 of the Revised Statutes of Missouri. "State Tax Credits" shall mean Tax Credits as the same applies to state historic rehabilitation tax credits. "Federal Tax Credits" shall mean Tax Credits as the same applies to federal historic rehabilitation tax credits.

(b) As security for the payment and performance of the Debt, Grantor hereby assigns, transfers and sets over to Lender, and grants to Lender a security interest in and lien on, any and all right, title and interest Grantor may now or hereafter have or acquire in and to the State Tax Credits with respect to the Mortgaged Property, provided, that this assignment shall take effect only upon a foreclosure (or delivery of a deed in lieu of foreclosure) of any of the Mortgaged Property after an Event of Default occurs. Upon any sale of any of the Improvements on foreclosure of this Deed of Trust, Lender may assign, transfer and set over to the purchaser at the foreclosure sale the right, title and interest of Grantor in and to the State Tax Credits with respect to the Mortgaged Property.

(c) As security for the payment and performance of the Debt, Grantor hereby assigns, transfers and sets over to Lender, and grants to Lender a security interest in and lien on, any and all right, title and interest Grantor may now or hereafter have or acquire in and to all applications, approvals and consents to any Federal Tax Credits with respect to the Mortgaged Property, provided, that this assignment shall take effect only upon a foreclosure (or delivery of a deed in lieu of foreclosure) of any of the Mortgaged Property after an Event of Default occurs.

20.8. Definitions. As used herein, each of the following terms shall have the meaning indicated below, unless the context clearly requires otherwise:

"Automatic Acceleration Event of Default" shall mean the Events of Default described in §§11.1(n) or (o) hereof.

"Borrower Payment" shall mean "Borrower Payment" as defined in Note B.

"Casualty" shall mean any damage, destruction, or loss to or of any of the Mortgaged Property resulting from fire, any peril insured against, or any other cause except a Condemnation.

"CGL Policy" shall mean a Commercial General Liability insurance policy meeting the requirements of §4.1(d) hereof.

"Collateral" shall mean collectively the "Accounts", "Chattel Paper", "Documents", "Equipment", "General Intangibles", "Goods", "Instruments", "Inventory", as such terms are defined in the Code, and all Personal Property, Records, Intellectual Property, and other assets, tangible or intangible, now owned or hereafter acquired by Grantor, and the Proceeds of each thereof.
"Condemnation" shall mean any condemnation or taking of any of the Mortgaged Property or the use thereof by any Governmental Authority or other Person pursuant to the power of eminent domain or condemnation, and any conveyance of any of the Mortgaged Property in lieu of condemnation.

"Condemnation Award" shall mean any and all awards, damages and other sums of money at any time owed or becoming payable, or paid, with respect to any Condemnation, including any payments for any conveyance in lieu of Condemnation, and awards for changes of grade of any streets.

"Debt" shall mean (i) all indebtedness of Grantor evidenced by Note A, including principal, interest, additional interest if any, late charges, and interest after default, (ii) any and all extensions, renewals, refinancings or refundings thereof in whole or in part, whether or not now provided for in the Loan Documents, (iii) all costs and expenses incurred by Lender in the collection of any of such indebtedness, including attorneys' fees and legal expenses, (iv) all future advances made by Lender for the protection or preservation of any of the Mortgaged Property, and (v) all other amounts coming due to Lender under any provision of any of the Loan Document.

"Default Rate" shall mean the "Default Rate" as defined in Note A.

"Environmental Activity" (whether one or more), shall mean any one or more of the following: (1) any present or future storage, holding, existence, release, emission, discharge, generation, abatement, disposition, handling or transportation of any Hazardous Substance from, on, under or otherwise relating to the Mortgaged Property, or the use, operation or occupancy thereof, or any threat of any such activity, including but not limited to any failure of all "hazardous waste" (as defined in RCRA) generated or removed from the Mortgaged Property to be removed and disposed of at sites and transported by carriers which maintain valid permits under RCRA and any other applicable Environmental Requirements by Grantor; (2) any failure of Grantor, to comply with any of the Environmental Requirements relating to the Mortgaged Property or the ownership, use, operation or occupancy thereof, including but not limited to any failure by Grantor to properly obtain or file any notices, permits, licenses or similar authorizations, if any, required under any Environmental Requirements in connection with the Mortgaged Property or the ownership, use, operation or occupancy thereof; (3) any investigation, inquiry, order or proceeding by any Governmental Authority, and/or any remedial obligations of the Grantor under any Environmental Requirements relating to the Mortgaged Property; (4) any failure of any representation or warranty set forth in §19 of this Deed of Trust to be true and correct in all respects when made; and (5) any failure of the Grantor to perform, or cause to be performed, any covenant in §19 of this Deed of Trust.

"Environmental Claim" or "Environmental Claims" shall mean any and all claims, demands, actions or causes of action that are asserted at any time against Lender which directly or indirectly relate to or arise from any Environmental Activity which occurs during the Indemnity Period.

"Environmental Requirements" shall mean, collectively: CERCLA; RCRA; the Hazardous Materials Transportation Act (49 U.S.C. §1802 et seq.); the Federal Water Pollution Prevention and Control Act (33 U.S.C. §1251 et seq.); the Safe Drinking Water Act (42 U.S.C. §300f et seq.); the Toxic Substances Control Act (15 U.S.C. §2601 et seq.); the Clean Air Act (42 U.S.C. §7401 et seq.); the Clean Water Act, 33 U.S.C. §7401 et seq.; all international treaties, compacts, conventions and agreements having the force of law in the United States of America and all federal, state or local statutes, ordinances, codes, rules, regulations, orders and decrees, regulating, relating to or imposing liability or standards of conduct concerning any hazardous, toxic or
dangerous waste, substance or material as now or at any time hereafter in effect, each as now or hereafter amended; and any and all judgments, orders, decrees, permits, licenses, authorizations, concessions, grants, franchises, agreements or other governmental restrictions or requirements relating to the environment or to any Hazardous Substance or to any Environmental Activity.

"Event of Default" shall mean an Event of Default as defined in §11 hereof, and any event, omission or circumstance otherwise specifically stated in this Deed of Trust to be an Event of Default.

"FEMA" shall mean the Federal Emergency Management Agency, and its successors.

"First Installment" shall mean "First Installment" as defined in Note B.

"Formation State" shall mean the state under the laws of which the Grantor is organized or formed.

"Garage Property" shall mean that portion of the Mortgaged Property described on Exhibit C attached to the Purchase Contract, which may be sold to the City of Kansas City, Missouri, for the development of a parking garage thereon.

"Governmental Authority" shall mean the United States of America, the State, any political subdivision of either of them, and any court, agency, department, commission, board, bureau, officer or instrumentality of any of them.

"Hazardous Substance" shall mean: (a) any "hazardous substance" as such term is presently defined in CERCLA; (b) any additional substances or materials which are hereafter incorporated in or added to the definition of "hazardous substance" for the purposes of CERCLA; (c) any element, substance, compound or mixture, including disease-causing agents, now or hereafter designated as, or containing components designated as, hazardous, dangerous, toxic, harmful, and/or subject to regulation by any Environmental Requirement, including asbestos in any form and any substance containing asbestos, mold, urea formaldehyde foam insulation, transformers or other equipment which contains dielectric fluid or polychlorinated biphenyls, flammable explosives, radioactive materials, chemicals known to cause cancer or reproductive toxicity, pollutants, effluents, contaminants, emissions or related materials, lead and any waste, substance or material now or hereafter regulated by any Environmental Requirement; (d) any radioactive material, including any source, special nuclear or by-product material as defined at 42 U.S.C. §2014, as now or hereafter amended; (e) any lead-based paint; and (f) mold, fungus, microbial contamination or pathogenic organisms.

"Indemnity Period" shall mean that period of time commencing with the date of this Deed of Trust and ending on the earlier of: (i) the first date on which all sums and obligations payable under Note A and other Loan Documents have been paid and the Lender's obligation to make further disbursements of proceeds of the Loan has terminated; or (ii) the date on which Grantor's title to the Mortgaged Property is transferred through foreclosure (judicial or by power of sale) of the lien of the Deed of Trust or by deed in lieu thereof.

"Intellectual Property" shall mean all patents, trademarks, trade names, and service marks, and related goodwill, now or hereafter acquired by Grantor.

"ISO" shall mean the Insurance Services Office.
"Leases" shall mean all agreements for use and occupancy of any part of the Mortgaged Property, now existing or hereafter entered into, including all present and future leases (including subleases), licenses, concessions, rights in respect of tenants holding over and tenancies following attornment, and all extensions, modifications, renewals or supplements to any lease, license or concession, and all cash or securities deposited with the Grantor to secure performance of the tenant's obligations under such Lease.

"Legal Requirements" shall mean collectively (i) all present and future laws, ordinances, orders, rules, regulations and requirements of all Governmental Authorities, including those with respect to zoning, subdivision, building, safety, fire protection, wetlands protection, historical preservation, access for the handicapped or disabled, ecological or environmental matters; and (ii) all covenants, restrictions and conditions now or hereafter of record which may apply to any of the Mortgaged Property or the use, occupancy, possession, Maintenance, Restoration or enjoyment thereof.

"Lien" shall mean any mortgage, deed of trust, security agreement, financing statement, security interest, judgment lien, mechanic's or materialman's lien, any other lien, encumbrance, charge, retention or reservation of title as security, pledge, hypothecation or assignment as security, of any of, or upon, the Mortgaged Property, whether now existing or hereafter created, suffered or incurred.

"Loan Agreement" shall mean that certain Loan Agreement of even date herewith between Grantor and Lender.

"Loan Documents" shall mean collectively the Loan Agreement, Note A, Note B, this Deed of Trust, the Second Deed of Trust, financing statements to evidence security interests securing the Loan, and all other instruments, documents and agreements now or hereafter evidencing, securing or supporting any of the Debt or the Obligations, and any amendments, extensions and supplements to any of them made at any time.

"Maintenance" shall mean all repairs, renewals, replacements, alterations, additions, betterments and improvements to the Mortgaged Property (whether interior or exterior, structural or non-structural, ordinary or extraordinary, foreseen or unforeseen), that are necessary to keep the Mortgaged Property in good order, condition and repair, consistent with the standard described in §5.2 and suitable for the Permitted Uses.

"Member" shall mean any member of Grantor, if applicable.

"Mortgaged Property" shall mean collectively all the property and interests, tangible and intangible, described or referred to in §§1.1, 1.2 and 1.3 hereof, whether now owned or hereafter acquired by Grantor.

"Net Condemnation Award" shall mean a Condemnation Award, less the costs and expenses, including reasonable attorney's fees, incurred by Lender and/or Trustee in connection with such Condemnation Award and the Condemnation to which it relates.

"Net Insurance Proceeds" shall mean all of the proceeds and sums of money owed or becoming due or paid under any policy of insurance upon any of the Mortgaged Property, including any sums paid in settlement of any claim under any such insurance policy, less the costs and expenses, including reasonable attorney's fees, incurred by Lender and/or Trustee in connection with such insurance proceeds and the Casualty to which they relate.
"Note A" shall mean that certain Promissory Note A of even date herewith in the amount of $6,250,000.00 from Grantor to the order of Lender, as amended, modified, supplemented, replaced, exchanged, extended, renewed, increased, refunded or restated from time to time.

"Note B" shall mean that certain Promissory Note B of even date herewith in the amount of $2,750,000.00 from Grantor to the order of Rainen Building, LLC, a Missouri limited liability company, as amended, modified, supplemented, replaced, exchanged, extended, renewed, increased, refunded or restated from time to time.

"Obligations" shall mean the obligation to pay the Debt and all obligations of Grantor to Lender arising from or out of any of the Loan Documents.

"Operating Agreement" shall mean that certain Operating Agreement of HD Lee Building, LLC, dated April 8, 2005.

"Payment Requirement" shall mean "Payment Requirement" as defined in Note B.

"Permitted Encumbrances" shall mean only those matters listed as exceptions to coverage on Schedule B to the Lender's policy of title insurance insuring the lien of this Deed of Trust; except that those matters which are listed in said policy as matters which are subordinate to the lien of this Deed of Trust shall be included as "Permitted Encumbrances" only as matters which are so subordinate, and notwithstanding any provision of any of the Loan Documents seemingly to the contrary, none of the Loan Documents shall be subject to such items so listed as subordinate.

"Person" shall mean an individual, corporation, general partnership, limited partnership, limited liability company, unincorporated association, trust or any other legal entity.

"Personal Property" shall mean all tangible personal property now owned or hereafter acquired by Grantor.

"Proceeds" shall mean all "Proceeds" as defined in the Code, with respect to the Collateral or Mortgaged Property, and includes without limitation proceeds of insurance payable by reason of loss or damage to Collateral or Mortgaged Property.

"Rainen Trust" shall mean the Michael J. Rainen Restatement of Trust dated May 1, 1995, as amended.

"RCRA" shall mean the Resources Conservation and Recovery Act of 1976, as now or hereafter amended (42 U.S.C. §6901 et seq.) and any regulations promulgated thereunder.

"Records" shall mean all "Records" as defined in the Code, now owned or hereafter acquired by Grantor, and includes without limitation all books, records, computer records and software relating to any part of the Mortgaged Property.

"Rents" shall mean all rentals, security deposits, reimbursements and other sums of money now or hereafter due to Grantor under any Lease; all of the rents, issues, profits, royalties, income, receipts, revenues and earnings now or hereafter due Grantor under any Lease or arising from the use and enjoyment of any of the
Mortgaged Property; all damages for default by any party under any Lease; all proceeds of any policy of insurance covering loss of rents or business interruption resulting from any Casualty; all rights of Grantor to collect and recover any of such amounts; and the proceeds of all such Rents.

"Restoration" shall mean the restoration, repair, rebuilding, alteration and/or replacement of any of the Mortgaged Property made necessary by any Casualty or Condemnation, to a condition as nearly as possible to its condition prior to such Casualty or Condemnation (but with such changes as Grantor may make pursuant to §7 hereof), and includes demolition, temporary repairs and the protection of the Mortgaged Property pending the completion of Restoration.

"Second Deed of Trust" shall mean that certain Second Deed of Trust, Security Agreement, Assignment of Rents and Fixture Filing of even date herewith from Grantor for the benefit of Rainen Building, LLC, a Missouri limited liability company, encumbering the Mortgaged Property and securing repayment of the Loan, as the same may hereafter be amended.

"Second Installment" shall mean “Second Installment” as defined in Note B.

"Second Maturity Date" shall mean “Second Maturity Date” as defined in Note B.

"State" shall mean the State of Missouri.

"Transfer" shall mean: (a) any sale, assignment, lease, transfer or conveyance (whether voluntarily, involuntarily, by operation of law or otherwise) of any of Grantor’s interest in the Mortgaged Property, or any agreement by Grantor to do any of the same; and (b) any sale, assignment, conveyance, transfer, grant of a security interest in or encumbrance of any ownership interest (whether stock, partnership interest, membership interest or otherwise) of any Person in Grantor, or any ownership interest (direct or indirect) in any Person which is a shareholder, partner, member or other owner of an interest in Grantor, or any agreement by any such Person to do so.

"Usury Law" shall mean any law or regulation of any Governmental Authority having jurisdiction, limiting the amount of interest that may be paid for the loan, use or detention of money and applicable to the Debt and/or any of the Obligations.

20.9. Limited Liability. Notwithstanding anything herein seemingly to the contrary, it is agreed that the Lender’s source of satisfaction of the Debt, Obligations and all other indebtedness and obligations hereunder is limited to extent set forth in §15 of Note A.

21. WAIVER OF TRIAL BY JURY

21.1. Waiver of Trial By Jury. LENDER, GRANTOR AND THE TRUSTEE IRREVOCABLY WAIVE ALL RIGHT TO TRIAL BY JURY IN ANY COURT IN ANY ACTION: (A) LENDER OR THE TRUSTEE BRINGS TO COLLECT AMOUNTS OWED UNDER OR SECURED BY THIS DEED OF TRUST; (B) ALLEGING THAT (I) LENDER OR THE TRUSTEE OR GRANTOR HAS BREACHED THIS AGREEMENT OR ANY AGREEMENT SECURED BY THIS AGREEMENT, (II) LENDER, THE TRUSTEE OR GRANTOR HAS BREACHED ANY OTHER AGREEMENT, EXPRESS OR IMPLIED, (III) LENDER OR THE TRUSTEE OR ANY OF LENDER’S OR THE TRUSTEE’S OFFICERS, EMPLOYEES OR AGENTS HAVE ACTED WRONGFULLY, NEGIGLIENTLY OR OTHERWISE
TORTIOUSLY WITH RESPECT TO GRANTOR, OR (C) TO WHICH GRANTOR, LENDER AND/OR THE TRUSTEE ARE PARTIES. THIS WAIVER OF TRIAL BY JURY DOES NOT WAIVE EITHER GRANTOR'S, THE TRUSTEE'S OR LENDER'S RIGHT TO BRING A LAWSUIT THAT A JUDGE, WITHOUT A JURY, WOULD DECIDE.

(REMAINDER OF PAGE INTENTIONALLY LEFT BLANK; SIGNATURE PAGE TO FOLLOW)
IN WITNESS WHEREOF, Grantor has executed this Deed of Trust as of the day and year first above written.

GRANTOR:

HD LEE BUILDING, LLC,
a Missouri limited liability company

By: HD LEE ACQUISITION, LLC,
Its: Manager

By: MCGOWAN & WALSH, LLC
Its: Manager

By: ______________________
Name: Kevin X. McGowan
Title: Co-Manager

By: ______________________
Name: Nathaniel S. Walsh
Title: Co-Manager
ACKNOWLEDGMENT

STATE OF MISSOURI

April 28 OF 2008

On this 22 day of April, 2005, before me, a Notary Public in and for said County and State, personally appeared Kevin McGowan, to me personally known, who, being by me duly sworn (or affirmed), did say that (s)he is the Co-Manager of McGowan & Walsh, LLC, a Missouri limited liability company, which is the Manager of HD Lee Acquisition, LLC, a Missouri limited liability company, which is the Manager of HD Lee Building, LLC, a Missouri limited liability company, and that said instrument was signed on behalf of said limited liability companies by authority of their respective members, and said person acknowledged said instrument to be the free act and deed of said limited liability companies.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal the day and year last above written.

My Commission Expires: 

Joan M. Gerard
Notary Public - Notary Seal
State of Missouri
County of Saint Louis City
Expires April 28, 2008

STATE OF MISSOURI

April 28 OF 2008

On this 22 day of April, 2005, before me, a Notary Public in and for said County and State, personally appeared Nathaniel Walsh, to me personally known, who, being by me duly sworn (or affirmed), did say that (s)he is the Co-Manager of McGowan & Walsh, LLC, a Missouri limited liability company, which is the Manager of HD Lee Acquisition, LLC, a Missouri limited liability company, which is the Manager of HD Lee Building, LLC, a Missouri limited liability company, and that said instrument was signed on behalf of said limited liability companies by authority of their respective members, and said person acknowledged said instrument to be the free act and deed of said limited liability companies.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal the day and year last above written.

My Commission Expires: 

Joan M. Gerard
Notary Public - Notary Seal
State of Missouri
County of Saint Louis City
Expires April 28, 2008

FILER/MC/Date/Relation/Resume Building/First Draft of Trust 7/19/08

36
EXHIBIT A

Legal Description

BUILDING PARCEL:

Lots 1, 2 and 3, Block 20, and all in Block 27, in GOODRICH ADDITION, a subdivision in Kansas City, Jackson County, Missouri, as said lots and blocks are marked and designated on the plat of said addition now on file and of record in the Office of the Recorder of Deeds within and for Jackson County, Missouri; and also all that part of the Southwest Quarter of the Northwest Quarter of Section 8, Township 49, Range 33, described as follows: Beginning 316-1/4 feet West of the Northeast corner of said Southwest Quarter of the Northwest Quarter; thence running South 212 feet; thence West 158 feet; thence North 212 feet; thence East 158 feet to the point of beginning, subject to the rights of the public in the North 30 feet thereof taken for street purposes, in Kansas City, Jackson County, Missouri.

PARKING PARCEL:

Lot 15, except the Northeasterly 2 feet of said Lot 15, measured at right angles to the division line between Lots 14 and 15; and Lots 16 and 25, except that part thereof deeded to Kansas City as part of 20th Street; and also Lots 21, 22 and 23, except the South 24.5 feet of Lot 23, and except that part of said Lots lying East of a line drawn 19.5 feet West of and parallel with the West line of Baltimore Avenue, including that part of vacated St. Paul Avenue between the parts of Lots 21, 22, 23 and 25 above described, in Block 13, GOODRICH ADDITION, a subdivision in Kansas City, Jackson County, Missouri, according to the recorded plat thereof.

PLEASE RETURN DOCUMENT TO:
First American Title Insurance Company
National Commercial Services
611 Main, Suite 2500, Kansas City, MO 64105
Attention: Sheryl Snook
FILE NO. J45679
10. **LAND ACQUISITION**

(A) For each project area, please provide the following:

1. A map showing all parcels to be acquired: Not applicable
2. Addresses of all parcels to be acquired: Not applicable
3. Current owners of all parcels to be acquired: Not applicable
4. Is the use of eminent domain anticipated? No
11. **TAX ABATEMENT**

For any property for which tax abatement is requested, please provide the following:

Chapter 353 tax abatement is being sought for Project Area 12-R

(A) **Current or past tax abatement provided for the subject property:**

None

(B) **The purchase price of the property:** $7,250,000

(C) **Current assessed value of the land and improvements:**

- Project Area 12-C: $83,988
- Project Area 12-R: $106,550
- Project Area 13: $38,500

(D) **Projected assessed value of the land and improvements upon completion of the project.**

- Project Area 12-C: $572,320
- Project Area 12-R: $1,716,175
- Project Area 13: $574,522
12. **PLEASE SUBMIT EVIDENCE OF COMPLIANCE TO THE AFFIRMATIVE ACTION POLICY.**

Developer will strive to reach a goal of participation of 13% MBE and 8% WBE in Professional Services; 15% MBE and 7% WBE in Construction Services; and 15% MBE and 7% WBE in the Workforce of the Redevelopment project. Developer will work with the Commission to accomplish this goal.
STATE OF MISSOURI  
COUNTY OF Jackson  

1. **Jerry Aitman**, being first duly sworn, state and depose upon oath as follows:

1. A detailed description of the factors that qualify the Redevelopment Area and Project Area 12-C, Project 12-R and Project Area 13 properties as blighted is contained in 22nd & Main Tax Increment Financing Plan. The conditions reported in this Sixth Amendment to the Project Area 12 TIF Application are accurate and describe the current state of the Redevelopment Area.

2. The Redevelopment Area, including the Project 12-C, Project 12-R and Project Area 13 properties, qualify as a Conservation Area as contained in the 22nd & Main Tax Increment Financing Plan.

3. The Redevelopment Area has not been subject to growth and development through investment by private enterprise and would not reasonably be anticipated to be developed without the adoption of tax increment financing.

4. Based on the above factors, it is my opinion that the Project 12-C, Project 12-R, and Project 13 properties qualify as a Conservation Area, they have not been subject to growth and development through investment by private enterprise, and the cost of curing the existing conditions is not economically viable if fully borne by private developers and will not be reasonably anticipated to be developed without the adoption of tax increment financing.

The above statements are true and accurate assessments to the best of my knowledge, information and belief.

Further, affiant saith not.

By:  
Name: Jerry Aitman  
Title: Senior Vice President

Subscribed and sworn to before me, a Notary Public, this 2nd day of June, 2006.

My Commission Expires:

03-23-2007  

NANCY J. MARKS  
Notary Public - Notary Seal  
State of Missouri  
County of Lafayette  
My Commission Exp. 03/23/2007  

CC 1707438v1