

**NEW ISSUE
Book-Entry Only****NOT RATED**

*In the opinion of Gilmore & Bell, P.C., Bond Counsel to the Issuer, under existing law and assuming continued compliance with certain requirements of the Internal Revenue Code of 1986, as amended, the interest on the Series 2018 Turbo Bonds (including any original issue discount properly allocable to an owner thereof) is excludable from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax. The interest on the Series 2018 Turbo Bonds is exempt from income taxation by the State of Kansas. The Series 2018 Turbo Bonds have not been designated as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended. Bond Counsel expresses no other opinion as to any other federal or state tax law consequences pertaining to the Series 2018 Turbo Bonds. See "TAX MATTERS" herein and the form of opinion of Bond Counsel attached hereto as **Appendix E**.*

**\$27,265,000***

**UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS
COMMUNITY IMPROVEMENT DISTRICT SALES TAX REVENUE BONDS
(LEGENDS APARTMENTS GARAGE & WEST LAWN PROJECT)
SERIES 2018**

Dated: Date of Delivery**Due: December 1, 2040**

The Community Improvement District Sales Tax Revenue Bonds (Legends Apartments Garage & West Lawn Project) Series 2018 (the "**Series 2018 Turbo Bonds**") are being issued by the Unified Government of Wyandotte County/Kansas City, Kansas (the "**Issuer**") pursuant to a Bond Trust Indenture dated as of June 1, 2018 (the "**Indenture**"), between the Issuer and Security Bank of Kansas City, Kansas City, Kansas, as trustee (the "**Trustee**") for the purpose of providing funds to (i) fund certain costs of the Projects (as defined herein) (the "**CID Project Costs**"), (ii) fund an account in the debt service reserve fund for the Series 2018 Turbo Bonds, and (iii) pay the costs of issuing the Series 2018 Turbo Bonds. The Series 2018 Turbo Bonds are special, limited obligations of the Issuer payable solely from the Revenues (as defined herein and in the Indenture) and other funds held by the Trustee as provided in the Indenture. See "**SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2018 TURBO BONDS**" herein.

The Series 2018 Turbo Bonds are issuable only as fully registered bonds, and, when issued, will be registered in the name of Cede & Co., as registered owner and nominee for The Depository Trust Company ("**DTC**"), New York, New York. DTC will act as securities depository for the Series 2018 Turbo Bonds. Purchases of the Series 2018 Turbo Bonds will be made in book-entry form in the original denomination of \$5,000 or any integral multiple thereof. See "**SERIES 2018 TURBO BONDS – Registration, Transfer and Exchange**" herein. Purchasers will not receive physical certificates representing their interests in Series 2018 Turbo Bonds purchased. So long as Cede & Co. is the registered owner of the Series 2018 Turbo Bonds, as nominee of DTC, references herein to the Bondowners or Registered Owners shall mean Cede & Co., as aforesaid, and shall not mean the Beneficial Owners (as defined herein) of the Series 2018 Turbo Bonds. Principal of and semiannual interest on the Series 2018 Turbo Bonds will be paid from moneys available therefor under the terms of the Indenture. So long as DTC or its nominee, Cede & Co., is the Bondowner, such payments will be made directly to such Bondowner. DTC is expected, in turn, to remit such principal and interest to the DTC Participants (as defined herein) for subsequent disbursement to the Beneficial Owners. Interest on the Series 2018 Turbo Bonds will be payable semiannually on June 1 and December 1, beginning June 1, 2019.

The Series 2018 Turbo Bonds are subject to redemption prior to maturity in certain circumstances as described herein. See "**SERIES 2018 TURBO BONDS—Redemption Provisions**" and "**SUMMARY OF BOND STRUCTURING ASSUMPTIONS**" herein.

SEE INSIDE COVER PAGE FOR MATURITY AMOUNT, INTEREST RATE, PRICE AND YIELD

The Series 2018 Turbo Bonds and the interest thereon are special, limited obligations of the Issuer payable (except to the extent paid out of Series 2018 Bond proceeds or the income from the temporary investment thereof) solely out of the Revenues and are secured by a transfer, pledge and assignment of and a grant of a security interest in the Trust Estate to the Trustee and in favor of the Bondowners, as provided in the Indenture. The Series 2018 Turbo Bonds and interest thereon shall not be deemed to constitute a debt or liability of the Issuer or the State of Kansas (the "**State**"), or of any political subdivision thereof, but shall be payable solely from Revenues and the funds held under the Indenture. The issuance of the Series 2018 Turbo Bonds shall not, directly, indirectly or contingently, obligate the Issuer, the State or any political subdivision thereof to levy any form of taxation therefor or to make any appropriation for their payment. The State shall not in any event be liable for the payment of the principal of, redemption premium, if any, or interest on the Series 2018 Turbo Bonds or for the performance of any pledge, mortgage, obligation or agreement of any kind whatsoever which may be undertaken by the Issuer.

The Series 2018 Turbo Bonds involve a high degree of risk, and prospective purchasers should read the section herein captioned "**BONDOWNERS' RISKS**." The Series 2018 Turbo Bonds may not be suitable investments for all persons, and prospective purchasers should carefully evaluate the risks and merits of an investment in the Series 2018 Turbo Bonds, should confer with their own legal and financial advisors and should be able to bear the risk of loss of their investment in the Series 2018 Turbo Bonds before considering a purchase of the Series 2018 Turbo Bonds."

This cover page contains information for quick reference only and is not a summary of the Series 2018 Turbo Bonds. Investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision.

The Series 2018 Turbo Bonds are offered when, as and if issued by the Issuer and received by Citigroup (the "**Underwriter**"), subject to approval of their validity by Gilmore & Bell, P.C., Kansas City, Missouri, Bond Counsel to the Issuer, and subject to certain other conditions. Certain other legal matters will be passed upon for the Issuer by Kenneth J. Moore, Chief Counsel of the Issuer and by its special counsel Stinson Leonard Street LLP, Kansas City, Missouri, for the West Lawn Developer by Greenberg Traurig, LLP, Chicago, Illinois, for the Apartments and Garage Developer by Sandberg Phoenix & von Gontard P.C., Overland Park, Kansas, and for the Underwriter by its counsel, Thompson Coburn LLP, Chicago, Illinois. Springsted, Incorporated, St. Paul, Minnesota and Kansas City, Missouri, is acting as Municipal Advisor to the Issuer. It is expected the Series 2018 Turbo Bonds will be available for delivery on or about ____, 2018.

Citigroup

Dated May __, 2018

* Preliminary, subject to change.

This Preliminary Official Statement and the information contained herein are subject to completion and amendment. These securities may not be sold nor may offers to buy be accepted prior to the time the Official Statement is delivered in final form. Under no circumstances may this Preliminary Official Statement constitute an offer to sell or a solicitation of an offer to buy, nor may there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

MATURITY SCHEDULE

\$27,265,000*

**UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS
COMMUNITY IMPROVEMENT DISTRICT SALES TAX REVENUE BONDS
(LEGENDS APARTMENTS GARAGE & WEST LAWN PROJECT)
SERIES 2018**

MATURITY SCHEDULE

\$27,265,000* ____% Term Bond due December 1, 2040 – Price: ____%²; Yield: ____%²; CUSIP: _____¹

* Preliminary, subject to change.

¹ CUSIP numbers have been assigned to this issue by Standard & Poor's CUSIP Service Bureau, a division of the McGraw-Hill Companies, Inc., and are included solely for the convenience of the Owners of the Series 2018 Turbo Bonds. Neither the Issuer nor the Underwriter shall be responsible for the selection or correctness of the CUSIP numbers set forth above.

² Price and yield to the first optional call date of December 1, 20__.

**UNIFIED GOVERNMENT OF
WYANDOTTE COUNTY/KANSAS CITY, KANSAS
701 North 7th Street
Kansas City, Kansas 66101**

Elected Officials
David Alvey, Mayor / CEO

COMMISSIONERS

Gayle Townsend	Mike Kane
Brian McKiernan	Angela Markley
Ann Brandau-Murguia	Jim Walters
Harold Johnson, Jr.	Jane Philbrook
Melissa Bynum	Tom Burroughs

ADMINISTRATION

Douglas G. Bach, *County Administrator*
Kathleen VonAchen, *Chief Financial Officer*
Kenneth J. Moore, *Chief Counsel*

BOND COUNSEL

Gilmore & Bell, P.C.
Kansas City, Missouri

MUNICIPAL ADVISOR

Springsted Incorporated
St. Paul, Minnesota and Kansas City, Missouri

UNDERWRITER'S COUNSEL

Thompson Coburn LLP
Chicago, Illinois

REVENUE STUDY

GAI Consultants, Inc.
Orlando, Florida

TRUSTEE & DISSEMINATION AGENT

Security Bank of Kansas City
Kansas City, Kansas

REGARDING USE OF THIS OFFICIAL STATEMENT

THE SERIES 2018 TURBO BONDS HAVE NOT BEEN REGISTERED WITH THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR UNDER ANY STATE SECURITIES OR “BLUE SKY” LAWS, NOR HAS THE INDENTURE BEEN QUALIFIED UNDER THE TRUST INDENTURE ACT OF 1939, AS AMENDED, IN RELIANCE UPON EXEMPTIONS CONTAINED IN SUCH ACTS.

No dealer, broker, salesman or other person has been authorized by the Issuer or the Underwriter to give any information or to make any representations, other than those contained in this Official Statement, and, if given or made, such other information or representations must not be relied upon as having been authorized by the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the Series 2018 Turbo Bonds offered hereby by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information set forth herein has been obtained from the Issuer and other sources believed to be reliable, but is not guaranteed as to accuracy or completeness and is not to be construed as a representation by the Issuer or the Underwriter. The information and expressions of opinion contained herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall under any circumstances create any implication that there has been no change in the affairs of the Issuer since the date hereof or that the information contained herein is correct as of any time subsequent to its date.

The Underwriter has provided the following sentence for inclusion in this Official Statement. The Underwriter has reviewed the information in this Official Statement in accordance with and as part of its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information. The purchase of the Series 2018 Turbo Bonds is an investment subject to a high degree of risk, including the risk of nonpayment. Prospective investors should read the section captioned **“BONDOWNERS’ RISKS”** herein. Prospective purchasers of the Series 2018 Turbo Bonds should carefully evaluate the merits and risks of investment in the Series 2018 Turbo Bonds and should confer with their legal and municipal advisors, as deemed appropriate.

The Series 2018 Turbo Bonds have not been recommended by any federal or state securities commission or regulatory authority. The foregoing authorities have not confirmed the accuracy or determined the adequacy of this document. Any representation to the contrary may be a criminal offense.

CAUTIONARY STATEMENTS REGARDING FORWARD-LOOKING STATEMENTS IN THIS OFFICIAL STATEMENT

Certain statements included or incorporated by reference in this Official Statement constitute *“forward-looking statements”* within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the United States Securities Act of 1933, as amended. Such statements are generally identifiable by the terminology used such as *“project,” “plan,” “expect,” “estimate,” “anticipate,” “budget,” “intent”* or other similar words. Such forward looking statements include, among others, certain statements under the sections in this Official Statement captioned **“BONDOWNERS’ RISKS,” “EXISTING CID RETAIL DEVELOPMENT AND HISTORICAL RETAIL SALES,” “PROJECT,” “REVENUE STUDY,” “SUMMARY OF BOND STRUCTURING ASSUMPTIONS”** and in **Appendix A**, attached hereto.

THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS THAT MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS DESCRIBED TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. INCLUDED IN SUCH RISKS AND UNCERTAINTIES ARE (i) THOSE RELATING TO THE POSSIBLE INVALIDITY OF THE UNDERLYING ASSUMPTIONS AND ESTIMATES, (ii) POSSIBLE CHANGES OR DEVELOPMENTS IN SOCIAL, ECONOMIC, BUSINESS, INDUSTRY, MARKET, LEGAL AND REGULATORY CIRCUMSTANCES, AND (iii) CONDITIONS AND ACTIONS TAKEN OR OMITTED TO BE TAKEN BY THIRD PARTIES, INCLUDING CUSTOMERS, SUPPLIERS, BUSINESS PARTNERS AND COMPETITORS, AND LEGISLATIVE, JUDICIAL AND OTHER GOVERNMENTAL AUTHORITIES AND OFFICIALS. ASSUMPTIONS RELATED TO THE FOREGOING INVOLVE JUDGMENTS WITH RESPECT TO, AMONG OTHER THINGS, FUTURE ECONOMIC, COMPETITIVE, AND MARKET CONDITIONS AND FUTURE BUSINESS DECISIONS, ALL OF WHICH ARE DIFFICULT OR IMPOSSIBLE TO PREDICT ACCURATELY. FOR THESE REASONS, THERE CAN BE NO ASSURANCE THAT THE FORWARD-LOOKING STATEMENTS INCLUDED IN THIS OFFICIAL STATEMENT WILL PROVE TO BE ACCURATE.

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SUMMARY STATEMENT

*This Summary Statement is subject in all respects to more complete information contained in this Official Statement and should not be considered a complete statement of the facts material to making an investment decision. The offering of the Series 2018 Turbo Bonds to potential investors is made only by means of the entire Official Statement. No person is authorized to detach this Summary Statement from the Official Statement or otherwise use it without the entire Official Statement. The order and placement of information in the Official Statement, including the appendices, are not to be deemed to be a determination of relevance, materiality or relative importance. All capitalized terms used in this Official Statement that are not otherwise defined herein shall have the meanings ascribed to them in the Indenture and as set forth in **Appendix B – DEFINITIONS**, attached hereto.*

Overview

The \$27,265,000* Community Improvement District Sales Tax Revenue Bonds (Legends Apartments Garage & West Lawn Project), Series 2018 (the “**Series 2018 Turbo Bonds**”) are being issued by the Unified Government of Wyandotte County/Kansas City, Kansas (the “**Issuer**”) pursuant to a Bond Trust Indenture dated as of June 1, 2018 (the “**Indenture**”), between the Issuer and Security Bank of Kansas City, Kansas City, Kansas, as trustee (the “**Trustee**”), for the purpose of providing funds to (i) fund certain costs of the Projects (as defined herein) (the “**CID Project Costs**”), (ii) fund an account in the debt service reserve fund for the Series 2018 Turbo Bonds, and (iii) pay the costs of issuing the Series 2018 Turbo Bonds. See “**ISSUER**,” “**SERIES 2018 TURBO BONDS**” and “**PLAN OF FINANCE**” herein.

Series 2018 Turbo Bonds

A description of the Series 2018 Turbo Bonds is contained in this Official Statement under the caption “**SERIES 2018 TURBO BONDS**.” All references to the Series 2018 Turbo Bonds are qualified in their entirety by the definitive forms thereof and the provisions with respect thereto included in the Indenture. See **Appendix B – DEFINITIONS**, **Appendix C – SUMMARY OF THE INDENTURE** and **Appendix D – FORMS OF CONTINUING DISCLOSURE AGREEMENTS** herein.

Security and Sources of Payment for the Series 2018 Turbo Bonds

Special, Limited Obligations. The Series 2018 Turbo Bonds and the interest thereon are special, limited obligations of the Issuer payable (except to the extent paid out of Series 2018 Bond proceeds or the income from the temporary investment thereof) solely out of the Revenues and are secured by a transfer, pledge and assignment of and a grant of a security interest in the Trust Estate to the Trustee and in favor of the Bondowners, as provided in the Indenture.

“**CID Sales Tax**” means the CID Sales Tax of 1.0% levied within the boundaries of the community improvement district (the “**CID**”) by the Issuer with a term commencing on April 1, 2018 and expiring on March 31, 2040.

“**Revenues**” means the CID Sales Tax revenues that are received by the Issuer less an Issuer administrative fee of 1.0 percent.

See “**SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2018 TURBO BONDS – Revenues**” herein.

Debt Service Reserve Fund. As additional security for the Series 2018 Turbo Bonds, the Series 2018 Debt Service Reserve Account of the Debt Service Reserve Fund will be funded from proceeds of the Series 2018 Turbo Bonds in the amount equal to 18 months of interest on the Series 2018 Bonds (the “**Debt Service Reserve Requirement**”). Amounts in the Series 2018 Debt Service Reserve Account of the Debt Service Reserve Fund will be available to pay principal of and interest on the Series 2018 Turbo Bonds in the event that there are not sufficient moneys available for such purpose, and to be applied to the final payment of principal of and interest on the Series 2018 Turbo Bonds. See “**SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2018 TURBO BONDS – Debt Service Reserve Fund**” herein.

No Mortgage. The Series 2018 Turbo Bonds are not secured by a mortgage or any other lien on the Projects or any of the property in the area comprising the CID.

* Preliminary, subject to change.

Redemption	<p>The Series 2018 Turbo Bonds are subject to optional redemption, mandatory turbo redemption, extraordinary mandatory redemption and special mandatory redemption. See “SERIES 2018 TURBO BONDS – Redemption Provisions” herein.</p> <p>The Series 2018 Turbo Bonds do not have scheduled principal payments or scheduled mandatory sinking fund requirements. After payment of Trustee, Dissemination Agent and Rebate Analyst fees, payment of interest on the Series 2018 Turbo Bonds and replenishment of the Debt Service Reserve Fund, Excess Revenues (as defined herein) will be applied on each Interest Payment Date commencing on June 1, 2019 to the Mandatory Turbo Redemption of the Series 2018 Turbo Bonds, at par plus accrued interest, in ascending order of maturity. A description of redemption scenarios is set forth in “SUMMARY OF BOND STRUCTURING ASSUMPTIONS” herein. No assurance can be made that redemptions will occur as shown herein in “SUMMARY OF BOND STRUCTURING ASSUMPTIONS – Projected Turbo Redemptions for the Series 2018 Turbo Bonds Under the Moderate Scenario.” See “SERIES 2018 TURBO BONDS – Redemption Provisions – Mandatory Turbo Redemption” and “BONDOWNERS’ RISKS – Early Redemption of the Series 2018 Turbo Bonds.”</p>
Initial Projected Weighted Average Life	<p>Calculation of the Initial projected weighted average life of the Series 2018 Turbo Bonds has been made based on certain Structuring Assumptions (as defined herein). See the discussion herein under the caption “SUMMARY OF BOND STRUCTURING ASSUMPTIONS.”</p>
Additional Bonds and Refunding Bonds	<p>The Issuer may issue one or more series of “Additional Bonds” or “Refunding Bonds” which may be secured in the same manner as, and rank on a parity and equality under the Indenture. Additional Bonds may be issued the purpose of paying certain CID Project Costs subject to certain conditions set forth in the Indenture. No Additional Bonds may be issued on a senior lien basis to the Series 2018 Turbo Bonds. See “SERIES 2018 TURBO BONDS – Additional Bonds” and “Refunding Bonds” herein.</p>
Issuer	<p>The Issuer is a municipal corporation duly organized and existing under the laws of the State of Kansas (the “State”) as a consolidated city-county, having all the powers, functions and duties of a county and a city of the first class. See “ISSUER” herein and APPENDIX F - CERTAIN INFORMATION CONCERNING THE UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS for further information related to the Issuer.</p>
Community Improvement District and CID Sales Tax	<p>On December 12, 2015, in accordance with the provisions of Section 12-6a26 <i>et seq.</i>, Kansas Statutes Annotated, as amended (the “CID Act”), a petition was filed with the Issuer proposing the creation of a community improvement district (the “Original CID”) and requesting the imposition of a 0.6 percent community improvement district sales tax (the “Original CID Sales Tax”) within the boundaries of the Original CID in order to pay certain reimbursable costs of a project pursuant to the CID Act. On January 7, 2016, the Board of Commissioners of the Issuer passed Ordinance No. O-4-16 creating the Original CID and imposing the Original CID Sales Tax on the sales of tangible personal property at retail or rendering or furnishing services taxable pursuant to the provisions of the Kansas Retailers Sales Tax Act within the boundaries of the CID. Imposition of the Original CID Sales Tax commenced on July 1, 2016 and terminated on March 31, 2018. The Issuer currently has \$2,135,194.45 of revenues of such tax on deposit to fund reimbursable CID Project Costs of the Legends Apartments and Garage Project.</p> <p>The costs of the project to be funded from the Original CID have increased and the project was expanded from the time of creation of the Original CID and on November 16, 2017, a petition was filed with the Issuer proposing the creation of a new community improvement district to impose a community improvement district sales tax, to replace the Original CID and the Original CID Sales Tax. On December 21, 2017, the Board of Commissioners of the Issuer passed Ordinance No. O-76-17 creating the CID and imposed a 1.0 percent CID Sales Tax within the boundaries of the CID beginning April 1, 2018.</p> <p>The “Projects” to be undertaken in the CID include the Legends Apartments and Garage Project (as defined herein) and the West Lawn Project (as defined herein).</p>

Existing CID Retail Development and Vacant and Undeveloped Space

The boundaries of the CID include the Projects and certain retail, restaurant, hotel and entertainment operations within an existing retail development (the **“Existing CID Retail Development”**). The CID Sales Tax is imposed on sales of tangible personal property at retail or rendering or furnishing services taxable pursuant to the provisions of the Kansas Retailers Sales Tax Act from properties within the boundaries of the CID including the Existing CID Retail Development. The Existing CID Retail Development consists of approximately 889,532 square feet of occupied retail space and includes a majority of the retail space of a shopping center known as the Legends Outlets (the portion of the shopping center that is included in the CID is referred to herein as **“Legends Outlets”**). Legends Outlets is owned by W-LD Legends Owner VII, L.L.C., a Delaware limited liability company (the **“West Lawn Developer”**), a related entity to the Apartments and Garage Developer (as defined herein) and to Legacy Development (as defined herein). In addition, the Existing CID Retail Development includes various retail stores, restaurants and hotels on outlots that are owned and operated by various owners and operators. See **“INTRODUCTION - Existing CID Retail Development and Vacant and Undeveloped Space”** and **“EXISTING CID RETAIL DEVELOPMENT AND HISTORICAL RETAIL SALES”** herein.

Legends Apartments and Garage Project

The **“Legends Apartments and Garage Project”** includes (1) the development and construction of a first-class luxury apartment building consisting of approximately 265 total units, and (2) a three-level structured parking facility with approximately 615 total parking spaces and a vehicular bridge connecting the parking facility with an existing adjacent parking structure, including land acquisition, site work, signage, sidewalks, streetscapes, landscaping, and other related infrastructure and improvements (collectively the **“Legends Apartments and Garage Project”**) on 2.5 acres of real property generally located at 1879 Village West Parkway, Kansas City, Kansas.

West Lawn Project

The **“West Lawn Project”** includes the design, development and construction of new retail improvements and amenities at the Legends Outlets, including hardscape and landscape replacement, video board installation, shade structures, signage, façade improvement, escalator repair and enclosures and new “legends” monuments (collectively the **“West Lawn Project”**).

Apartments and Garage Developer, West Lawn Developer and Development Agreements

The Apartments and Garage Developer is Legacy KCK Westside Venture, LLC, a Kansas limited liability company created for the purpose of purchasing and developing the Legends Apartments and Garage Project. The Issuer has entered into the Apartments and Garage Development Agreement with the Apartments and Garage Developer pursuant to which the Apartments and Garage Developer has agreed to develop, construct, complete and operate the Legends Apartments and Garage Project.

The Issuer has entered into the West Lawn Development Agreement with the West Lawn Developer pursuant to which the West Lawn Developer has agreed to develop, construct, complete and operate the West Lawn Project.

See **“THE PROJECTS, DEVELOPERS AND DEVELOPMENT AGREEMENTS.”**

The Apartments and Garage Developer and the West Lawn Developer are affiliates of Legacy Development. Legacy Development has significant experience developing and managing large shopping center and retail developments throughout the United States. See **“EXISTING CID RETAIL DEVELOPMENT AND HISTORICAL RETAIL SALES – West Lawn Developer”** herein.

Revenue Study

A study entitled “Estimates of Community Improvement District Sales Tax Revenues, Legends Apartments Garage & West Lawn Project, Unified Government of Wyandotte County/Kansas City, Kansas,” dated May 2018 (the **“Revenue Study”**), has been prepared by GAI Consultants, Inc., Orlando, Florida (the **“Revenue Consultant”**). The Revenue Study includes a projection of the total Revenues available to pay debt service on the Series 2018 Turbo Bonds. None of the Issuer, Citigroup (the **“Underwriter”**), the Apartments and Garage Developer, or the West Lawn Developer make any representation or warranty (express or implied) as to the accuracy or completeness of any financial, technical or statistical data or any estimates, projections, assumptions or expressions of opinion set forth in the Revenue Study. None of the Issuer, the Underwriter, the Apartments and Garage Developer, or the West Lawn Developer assumes any responsibility to update such information after the delivery of the Series 2018 Turbo Bonds. A copy of the Revenue Study is attached hereto as **Appendix A**. See also **“REVENUE STUDY”** herein.

Bondowners' Risks	There is a high degree of risk associated with purchase of the Series 2018 Turbo Bonds, and prospective investors should read the section "BONDOWNERS' RISKS" herein. Prospective purchasers of the Series 2018 Turbo Bonds should carefully evaluate the merits and risks of investment in the Series 2018 Turbo Bonds and should confer with their legal and financial advisors, as deemed appropriate. See "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2018 TURBO BONDS" and "BONDOWNERS' RISKS" herein.
No Rating	The Series 2018 Turbo Bonds are not rated. The Issuer has not made an application to any rating agency for assignment of a rating to the initial offering of the Series 2018 Turbo Bonds.
Definitions and Summary of Documents	This Official Statement contains certain definitions and summaries of certain provisions of the Indenture, the Continuing Disclosure Agreements (as defined herein), and other principal financing documents (collectively, the "Financing Documents"), but such summaries do not purport to be comprehensive or definitive. See Appendix B – DEFINITIONS , Appendix C - SUMMARY OF THE INDENTURE , and Appendix D – FORMS OF CONTINUING DISCLOSURE AGREEMENTS , attached hereto. All references herein to the specified documents are qualified in their entirety by reference to the definitive forms of such documents, copies of which may be viewed as described in this Summary Statement under the caption "Additional Information" and in the Official Statement under the caption "INTRODUCTION – Definitions and Summary of Documents."
Tax Matters	Gilmore & Bell, P.C., Kansas City, Missouri, Bond Counsel to the Issuer, will provide an opinion as to the legality of the Series 2018 Turbo Bonds and the exclusion from federal gross income of interest on the Series 2018 Turbo Bonds. See "TAX MATTERS" herein and Appendix E – FORM OF BOND COUNSEL OPINION , attached hereto.
Continuing Disclosure	The Issuer has covenanted for the benefit of the holders and beneficial owners of the Series 2018 Turbo Bonds to provide to Security Bank of Kansas City, as dissemination agent (the "Dissemination Agent") certain financial information relating to collection of the Revenues on a semiannual basis, and to provide notice of the occurrence of certain enumerated events, if material, all as provided in the "Issuer Continuing Disclosure Agreement," dated as of June 1, 2018, between the Issuer and the Dissemination Agent. The West Lawn Developer and the Apartments and Garage Developer have each agreed to provide the Issuer and the Dissemination Agent with certain operating information with respect to certain retail operations within the CID as provided in separate Continuing Disclosure Agreements, each dated as of June 1, 2018, between the each such developer and the Dissemination Agent (collectively the "Developer Continuing Disclosure Agreements." Pursuant to the Issuer Continuing Disclosure Agreement and each of the Developer Continuing Disclosure Agreements, the Dissemination Agent has agreed to disseminate the financial information described above and notice of material events to the Municipal Securities Rulemaking Board ("MSRB"). See "CONTINUING DISCLOSURE" herein and Appendix D – FORMS OF CONTINUING DISCLOSURE AGREEMENTS , attached hereto.
Additional Information	The definitive forms of the Financing Documents and certain other documents and information as described herein are available at the office of Ms. Kathleen VonAchen, Chief Financial Officer, Municipal Office Building, Suite 330, One McDowell Plaza, 701 North Seventh Street, Kansas City, Kansas 66101 3064, by telephoning (913) 573 5270, or by e-mailing kvonachen@wycokck.org , and will be provided to any prospective purchaser by requesting the same in writing by mail or email, in electronic form at no charge or otherwise upon payment by such prospective purchaser of the cost of complying with such request.
Trustee, and Dissemination Agent	Security Bank of Kansas City, Kansas City, Kansas, has been named by the Issuer to act as Trustee, Paying Agent and bond registrar for the Series 2018 Turbo Bonds and as Dissemination Agent under the Continuing Disclosure Agreements.

**UNIFIED GOVERNMENT OF
WYANDOTTE COUNTY/KANSAS CITY, KANSAS**

\$27,265,000*
COMMUNITY IMPROVEMENT DISTRICT SALES TAX REVENUE BONDS
(LEGENDS APARTMENTS GARAGE & WEST LAWN PROJECT)
SERIES 2018

INTRODUCTION

*This introduction is only a brief description and summary of certain information contained in this Official Statement and is qualified in its entirety by reference to the more complete and detailed information contained in the entire Official Statement, including the cover page and appendices hereto, and the documents summarized or described herein. The order and placement of materials in this Official Statement, including the appendices, are not to be deemed a determination of relevance, materiality or relative importance, and this Official Statement, including the cover page and the appendices, must be considered in its entirety. The offering of the Series 2018 Turbo Bonds to potential investors is made only by means of the entire Official Statement. All capitalized terms used in this Official Statement that are not otherwise defined herein shall have the meaning ascribed to them in **Appendix B – DEFINITIONS**, attached hereto.*

Purpose of the Official Statement

The purpose of this Official Statement, including the cover page hereof, the Summary Statement and the appendices hereto, is to furnish certain information relating to (1) The Unified Government of Wyandotte County/Kansas City, Kansas (the **“Issuer”**), (2) the Issuer’s \$27,265,000* Community Improvement District Sales Tax Revenue Bonds (Legends Apartments Garage & West Lawn Project), Series 2018 (the **“Series 2018 Turbo Bonds”** and together with any Additional Bonds or Refunding Bonds issued on a parity and equality under the Indenture (the **“Parity Bonds”**) with the Series 2018 Turbo Bonds, the **“Bonds”**) of the Issuer, (3) the Revenues (as defined herein) available for payment of debt service on the Series 2018 Turbo Bonds, and (4) the acquisition and construction of the Projects (as defined herein). See **“SERIES 2018 TURBO BONDS,” “EXISTING CID RETAIL DEVELOPMENT AND HISTORICAL RETAIL SALES,” “THE PROJECTS, DEVELOPERS AND DEVELOPMENT AGREEMENTS”** and **“SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2018 TURBO BONDS”** herein.

Issuer

The Issuer is a municipal corporation duly organized and existing under the laws of the State of Kansas (the **“State”**) as a consolidated city-county, having all the powers, functions and duties of a county and a city of the first class. See **“ISSUER”** herein. The Series 2018 Turbo Bonds are not an obligation of the Issuer.

Community Improvement District and CID Sales Tax

Section 12-6a26 *et seq.*, Kansas Statutes Annotated, as amended (the **“CID Act”**), authorizes cities and counties to create community improvements districts as a method of financing economic development-related improvements authorized under the CID Act in a defined area in the city or county

* Preliminary, subject to change.

and levy a community improvement district sales tax upon property within the district to finance projects. On November 16, 2017, in accordance with the provisions of the CID Act, a petition was filed with the Issuer proposing the creation of a community improvement district (the “**CID**” or the “**Community Improvement District**”) and requesting the imposition of a 1.0 percent community improvement district sales tax (the “**CID Sales Tax**”) within the boundaries of the CID in order to pay certain reimbursable costs of the proposed Projects, as hereinafter defined, pursuant to the CID Act. On December 21, 2017, the Board of Commissioners of the Issuer passed Ordinance No. O-76-17 creating the CID and imposing a 1.0% CID Sales Tax on the sales of tangible personal property at retail or rendering or furnishing services taxable pursuant to the provisions of the Kansas Retailers Sales Tax Act within the boundaries of the CID. Collection of the CID Sales Tax is for a term commencing on April 1, 2018 and expiring on March 31, 2040.

Existing CID Retail Development and Vacant and Undeveloped Space

The boundaries of the CID include the Projects and certain retail, restaurant, hotel and entertainment operations within an existing retail development (the “**Existing CID Retail Development**”). The CID Sales Tax is imposed on sales of tangible personal property at retail or rendering or furnishing services taxable pursuant to the provisions of the Kansas Retailers Sales Tax Act from properties within the boundaries of the CID including the Existing CID Retail Development. The Existing CID Retail Development consists of approximately 889,532 square feet of occupied retail space and includes a majority of retail space of a shopping center known as the Legends Outlets (the portion of the shopping center that is included in the CID and is shown on the site plan under the **COMMUNITY IMPROVEMENT DISTRICT, EXISTING CID RETAIL DEVELOPMENT AND HISTORICAL RETAIL SALES - Community Improvement District and CID Sales Tax**” and is referred to herein as “**Legends Outlets**”). Legends Outlets includes approximately 556,688 square feet of occupied retail space and approximately 39,695 square feet of vacant retail space. Legends Outlets is owned by W-LD Legends Owner VII, L.L.C., a Delaware limited liability company (the “**West Lawn Developer**”), a related entity to the Apartments and Garage Developer (as defined herein) and Legacy Development (as defined herein). In addition, the Existing CID Retail Development includes 204 hotel rooms and various retail stores and restaurants that include approximately 332,844 square feet of occupied outlots that are owned and operated by various owners and operators, approximately 12,461 square feet of unoccupied outlots and approximately 12,000 square feet of undeveloped outlot space. See “**EXISTING CID RETAIL DEVELOPMENT AND HISTORICAL RETAIL SALES**” herein.

The Projects, Developers and the Development Agreements

The projects (the “**Projects**”) include the following:

(i) The “**Legends Apartments and Garage Project**” includes (1) the development and construction of a first-class luxury apartment building consisting of approximately 265 total units (the “**Legends Apartments**”), and (2) a three-level structured parking facility with approximately 615 total parking spaces and a vehicular bridge connecting the parking facility with an existing adjacent parking structure, including land acquisition, site work, signage, sidewalks, streetscapes, landscaping, and other related infrastructure and improvements (the “**Garage**”) on 2.5 acres of real property generally located at 1879 Village West Parkway, Kansas City, Kansas.

(ii) The “**West Lawn Project**” includes the design, development and construction of new retail improvements and amenities at the Legends Outlets, including hardscape and landscape replacement, video board installation, shade structures, signage, façade improvement, escalator repair and enclosures and new “legends” monuments.

The “**Apartments and Garage Developer**” is Legacy KCK Westside Venture, LLC, a Kansas limited liability company created for the purpose of purchasing and developing the Legends Apartments and Garage Project. The Issuer has entered into the Apartments and Garage Development Agreement (as defined herein) with the Apartments and Garage Developer pursuant to which the Apartments and Garage Developer has agreed to develop, construct, complete and operate the Legends Apartments and Garage Project.

The Issuer has entered into the West Lawn Development Agreement (as defined herein) with the West Lawn Developer pursuant to which the West Lawn Developer has agreed to develop, construct, complete and operate the West Lawn Project.

The Apartments and Garage Developer and the West Lawn Developer are affiliates of Legacy Development. Legacy Development has significant experience developing and managing large shopping center and retail developments throughout the United States. See “**EXISTING CID RETAIL DEVELOPMENT AND HISTORICAL RETAIL SALES – West Lawn Developer**” herein.

See “**THE PROJECTS, DEVELOPERS AND DEVELOPMENT AGREEMENTS**” herein and **Appendix G – DEVELOPMENT AGREEMENTS**.

Series 2018 Turbo Bonds

The Series 2018 Turbo Bonds are being issued by the Issuer pursuant to the Constitution and laws of the State of Kansas, including K.S.A. 12-6a26 *et seq.*, an ordinance adopted by the Issuer on May 10, 2018 (the “**Bond Ordinance**”) and a Bond Trust Indenture dated as of June 1, 2018 (the “**Indenture**”), between the Issuer and Security Bank of Kansas City, Kansas City, Kansas, as trustee (the “**Trustee**”). The Series 2018 Turbo Bonds are being issued by the Issuer for the purpose of providing funds to (i) fund certain costs of the Projects (the “**CID Project Costs**”), (ii) fund an account in the debt service reserve fund for the Series 2018 Turbo Bonds, and (iii) pay the costs of issuing the Series 2018 Turbo Bonds. See “**PLAN OF FINANCE**” herein.

A description of the Series 2018 Turbo Bonds is contained in this Official Statement under the caption “**SERIES 2018 TURBO BONDS**.” All references to the Series 2018 Turbo Bonds are qualified in their entirety by the definitive forms thereof and the provisions with respect thereto included in the Indenture. See **Appendix B – DEFINITIONS** and **Appendix C – SUMMARY OF THE INDENTURE**, attached hereto.

The Series 2018 Turbo Bonds are subject to redemption prior to maturity as described herein. See “**SERIES 2018 TURBO BONDS – Redemption Provisions**” herein. **If Revenues are received as projected, a substantial portion of the Series 2018 Turbo Bonds will be redeemed prior to their Stated Maturity.** See “**SUMMARY OF BOND STRUCTURING ASSUMPTIONS**” herein.

The Issuer may issue one or more series of “**Additional Bonds**” or “**Refunding Bonds**” which may be secured in the same manner as, and rank on a parity and equality under the Indenture. Additional Bonds may be issued the purpose of paying certain CID Project Costs subject to certain conditions set forth in the Indenture. No Additional Bonds may be issued on a senior lien basis to the Series 2018 Turbo Bonds. See “**SERIES 2018 TURBO BONDS – Additional Bonds**” and “**Refunding Bonds**” herein.

Security and Sources of Payment for the Series 2018 Turbo Bonds

Special, Limited Obligations. The Series 2018 Turbo Bonds and the interest thereon are special, limited obligations of the Issuer payable (except to the extent paid out of Series 2018 Bond proceeds or

the income from the temporary investment thereof) solely out of the Revenues and are secured by a transfer, pledge and assignment of and a grant of a security interest in the Trust Estate to the Trustee and in favor of the Bondowners, as provided in the Indenture.

“CID Sales Tax” means the CID Sales Tax of 1.0% levied within the CID by the Issuer with a term commencing on April 1, 2018 and expiring on March 31, 2040.

“Revenues” means the CID Sales Tax revenues that are received by the Issuer less an Issuer administrative fee of 1.0 percent (the **“Issuer Administrative Fee”**). See **“SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2018 TURBO BONDS – Revenues”** herein.

The area for collection of the CID Sales Tax is co-terminus with the CID and includes all retail entities within the CID.

Debt Service Reserve Fund. As additional security for the Series 2018 Turbo Bonds, the Series 2018 Debt Service Reserve Account of the Debt Service Reserve Fund will be funded from proceeds of the Series 2018 Turbo Bonds in the amount of \$_____, which represents 18 months of interest on the Series 2018 Bonds (the **“Debt Service Reserve Requirement”**). Amounts in the Series 2018 Debt Service Reserve Account of the Debt Service Reserve Fund will be available to pay principal of and interest on the Series 2018 Turbo Bonds in the event that there are not sufficient moneys available for such purpose, and to be applied to the final payment of principal of and interest on the Series 2018 Turbo Bonds. See **“SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2018 TURBO BONDS – Debt Service Reserve Fund”** herein.

No Mortgage. The Series 2018 Turbo Bonds are not secured by a mortgage or any other lien on the Projects or any of the property in the area comprising the CID.

Revenue Study

A study entitled “Estimates of Community Improvement District Sales Tax Revenues, Legends Apartments Garage & West Lawn Project, Unified Government of Wyandotte County/Kansas City, Kansas,” dated May 2018 (the **“Revenue Study”**), has been prepared by GAI Consultants, Inc., Orlando, Florida (the **“Revenue Consultant”**). The Revenue Study includes a projection of the total Revenues available to pay debt service on the Series 2018 Turbo Bonds. None of the Issuer, the Underwriter, the Apartments and Garage Developer, or the West Lawn Developer make any representation or warranty (express or implied) as to the accuracy or completeness of any financial, technical or statistical data or any estimates, projections, assumptions or expressions of opinion set forth in the Revenue Study. None of the Issuer, the Underwriter, the Apartments and Garage Developer, or the West Lawn Developer assume any responsibility to update such information after the delivery of the Series 2018 Turbo Bonds, except to the extent provided in the Continuing Disclosure Agreements (as defined herein). A copy of the Revenue Study is attached hereto as **Appendix A**. See also **“REVENUE STUDY”** herein.

Bondowners’ Risks

The Series 2018 Turbo Bonds involve a high degree of risk, and prospective purchasers should read the section herein captioned **“BONDOWNERS’ RISKS.”** The Series 2018 Turbo Bonds may not be suitable investments for all persons, and prospective purchasers should carefully evaluate the risks and merits of an investment in the Series 2018 Turbo Bonds and should confer with their own legal and financial advisors before considering a purchase of the Series 2018 Turbo Bonds.

Definitions and Summary of Documents

Definitions of certain words and terms used in this Official Statement and a summary or copy of certain provisions of the Indenture and the Continuing Disclosure Agreements (the **“Financing Documents”**) are included in this Official Statement in **Appendices B, C and D** hereto. Such definitions and summaries do not purport to be comprehensive or definitive. All references herein to the Financing Documents are qualified in their entirety by reference to the definitive forms of such documents and certain other documents, copies of which may be obtained from the office of Ms. Kathleen VonAchen, Chief Financial Officer, Municipal Office Building, Suite 330, One McDowell Plaza, 701 North Seventh Street, Kansas City, Kansas 66101 3064, by telephoning (913) 573 5270, or by e-mailing kvonachen@wycokck.org, and will be provided to any prospective purchaser by requesting the same in writing by mail or email, in electronic form at no charge or otherwise upon payment by such prospective purchaser of the cost of complying with such request.

Continuing Disclosure

The Issuer has covenanted for the benefit of the holders and beneficial owners of the Series 2018 Turbo Bonds to provide to Security Bank of Kansas City, as dissemination agent (the **“Dissemination Agent”**) certain financial information relating to collection of the Revenues on a semiannual basis, and to provide notice of the occurrence of certain enumerated events, if material, all as provided in the **“Issuer Continuing Disclosure Agreement,”** dated as of June 1, 2018, between the Issuer and the Dissemination Agent. The West Lawn Developer and the Apartments and Garage Developer have each agreed to provide the Issuer and the Dissemination Agent with certain operating information with respect to certain retail operations within the CID as provided in separate Continuing Disclosure Agreements, each dated as of June 1, 2018, between the each such developer and the Dissemination Agent (collectively the **“Developer Continuing Disclosure Agreements.”** Pursuant to the Issuer Continuing Disclosure Agreement and each of the Developer Continuing Disclosure Agreements, the Dissemination Agent has agreed to disseminate the financial information described above and notice of material events to the Municipal Securities Rulemaking Board (**“MSRB”**). See **“CONTINUING DISCLOSURE”** herein and **Appendix D – FORMS OF CONTINUING DISCLOSURE AGREEMENTS**, attached hereto.

PLAN OF FINANCE

Purpose of the Series 2018 Turbo Bonds

The Series 2018 Turbo Bonds are being issued by the Issuer providing funds to (i) fund the CID Project Costs, (ii) fund an account in the debt service reserve fund for the Series 2018 Turbo Bonds, and (iii) pay the costs of issuing the Series 2018 Turbo Bonds. See **“SERIES 2018 TURBO BONDS”** herein.

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Estimated Sources and Uses of Funds*

Following is a summary of the anticipated sources and uses of funds in connection with the issuance of the Series 2018 Turbo Bonds:

Sources of Funds:

Principal amount of the Series 2018 Turbo Bonds	\$ 27,265,000.00
Original CID Sales Tax Revenues of the Issuer	<u>2,135,194.45</u>
Total Sources of Funds	\$ 29,400,194.45

Uses of Funds:

Deposit to the Series 2018 Project Account of the Project Fund	\$ 26,500,000.00
Deposit to the Series 2018 Debt Service Reserve Account of the Debt Service Reserve Fund	2,147,118.75
Costs of Issuance ¹	<u>753,075.70</u>
Total Uses of Funds	\$ 29,400,194.45

¹ All costs of issuance, certain of which are contingent upon the issuance of the Series 2018 Turbo Bonds, including Underwriter's discount.

SERIES 2018 TURBO BONDS

*The following is a summary of certain terms and provisions of the Series 2018 Turbo Bonds. Reference is hereby made to the Series 2018 Turbo Bonds and the provisions with respect thereto in the Indenture for the detailed terms and provisions thereof. See **Appendix B –DEFINITIONS** and **Appendix C –SUMMARY OF THE INDENTURE**, attached hereto.*

General

The Series 2018 Turbo Bonds are being issued in the aggregate principal amount as described on the cover page of this Official Statement in the denominations of \$5,000 or any integral multiple of \$5,000 in excess thereof (“**Authorized Denominations**”). The Series 2018 Turbo Bonds will be dated as of the date of initial issuance and delivery thereof, and will mature on the dates and in the principal amounts set forth on the inside cover page of this Official Statement. The Series 2018 Turbo Bonds will bear interest at the rates per annum set forth on the inside cover page hereof, which interest will be payable semiannually on June 1 and December 1 in each year, beginning on June 1, 2019 (each an “**Interest Payment Date**”).

The principal of, Redemption Price or interest payable on each Series 2018 Bond on any Interest Payment Date or Maturity shall be paid to the Bondowner of such Series 2018 Bond as shown on the Bond Register at the close of business on the Record Date for such interest (a) by check or draft mailed by the Trustee to the address of such Bondowner shown on the Bond Register or at such other address as is furnished to the Trustee in writing by such Bondowner or (b) in the case of any payment to any Bondowner of \$500,000 or more in aggregate principal amount of Series 2018 Turbo Bonds, by electronic transfer to

* Preliminary, subject to change.

such Bondowner upon written notice given to the Trustee by such Bondowner, not less than five days prior to the Record Date for such interest, containing the electronic transfer instructions including the bank (which shall be in the continental United States), American Bank Association routing number and account number to which such Bondowner wishes to have such transfer directed.

The interest on any Series 2018 Turbo Bonds that is due and payable but not paid on any Interest Payment Date (“**Defaulted Interest**”) shall cease to be payable to the owner of such Series 2018 Bond on the relevant Record Date and shall be payable to the Bondowner in whose name such Series 2018 Bond is registered at the close of business on a special record date (the “**Special Record Date**”) for the payment of such Defaulted Interest, which Special Record Date shall be fixed in the following manner. The Issuer shall notify the Trustee in writing of the amount of Defaulted Interest proposed to be paid on each Series 2018 Bond and the date of the proposed payment (which date shall be at least 30 days after receipt of such notice by the Trustee) and shall deposit with the Trustee at the time of such notice an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Trustee for such deposit prior to the date of the proposed payment. Following receipt of such funds the Trustee shall fix a Special Record Date for the payment of such Defaulted Interest which shall be not more than 15 nor less than 10 days prior to the date of the proposed payment. The Trustee shall promptly notify the Issuer of such Special Record Date and, in the name and at the expense of the Issuer, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, by first class mail, postage prepaid, to each owner of a Series 2018 Bond entitled to such notice at the address of such owner as it appears on the Bond Register not less than 10 days prior to such Special Record Date.

Registration, Transfer and Exchange of the Series 2018 Turbo Bonds

When issued, the Series 2018 Turbo Bonds will be registered in the name of Cede & Co., as registered owner and nominee for the Depository Trust Company (“**DTC**”), New York, New York. DTC will act as securities depository for the Series 2018 Turbo Bonds.

Pursuant to the Indenture, the Issuer covenants that, as long as any of the Series 2018 Turbo Bonds remain Outstanding, it will cause the Bond Register to be kept at the office of the Trustee as provided in the Indenture. Each Series 2018 Bond when issued shall be registered in the name of the Bondowner thereof on the Bond Register.

The Series 2018 Turbo Bonds may be transferred or exchanged only upon the Bond Register as provided in the Indenture. Upon surrender of any Series 2018 Bond at the principal corporate trust office of the Trustee, the Trustee shall transfer or exchange such Series 2018 Bond for a new Series 2018 Bond or Series 2018 Turbo Bonds in any Authorized Denomination of the same Stated Maturity and in the same aggregate principal amount as the Series 2018 Bond that was presented for transfer or exchange.

Series 2018 Turbo Bonds presented for transfer or exchange shall be accompanied by a written instrument or instruments of transfer or authorization for exchange, in a form and with guarantee of signature satisfactory to the Trustee, duly executed by the Bondowner thereof or by the Bondowner's duly authorized agent

In all cases in which the privilege of transferring or exchanging Series 2018 Turbo Bonds is exercised, the Trustee shall authenticate and deliver Series 2018 Turbo Bonds in accordance with the provisions of the Indenture. The fees and expenses of the Trustee for the registration, transfer and exchange of Series 2018 Turbo Bonds provided for by the Indenture and the cost of printing a reasonable supply of registered bond blanks shall be paid to the Trustee from the Revenue Fund. Any additional costs or fees that might be incurred in the secondary market, other than fees of the Trustee, are the responsibility of the

Bondowners of the Series 2018 Turbo Bonds. In the event any Bondowner fails to provide a correct taxpayer identification number to the Trustee, the Trustee may make a charge against such Bondowner sufficient to pay any governmental charge required to be paid as a result of such failure. In compliance with Section 3406 of the Code, such amount may be deducted by the Trustee from amounts otherwise payable to such Bondowner under the Indenture or under the Series 2018 Turbo Bonds.

The Issuer and the Trustee shall not be required (a) to register the transfer or exchange of any Series 2018 Bond that has been called for redemption after notice of such redemption has been mailed by the Trustee pursuant to the notice requirements of the Indenture and during the period of 15 days next preceding the date of mailing of such notice of redemption; or (b) to register the transfer or exchange of any Series 2018 Bond during a period beginning at the opening of business on the day after receiving written notice from the Issuer of its intent to pay Defaulted Interest and ending at the close of business on the date fixed for the payment of Defaulted Interest pursuant to the terms of the Indenture.

The Issuer and the Trustee may deem and treat the Person in whose name any Series 2018 Bond is registered on the Bond Register as the absolute Bondowner of such Series 2018 Bond, whether such Series 2018 Bond is overdue or not, for the purpose of receiving payment of, or on account of, the principal or Redemption Price of and interest on said Series 2018 Bond and for all other purposes. All payments so made to any such Bondowner or upon the Bondowner's order shall be valid and effective to satisfy and discharge the liability upon such Series 2018 Bond to the extent of the sum or sums so paid, and neither the Issuer nor the Trustee shall be affected by any notice to the contrary.

At reasonable times and under reasonable regulations established by the Trustee, the Bond Register may be inspected and copied by the Bondowners (or a designated representative thereof) of 10% or more in principal amount of the Series 2018 Turbo Bonds then Outstanding or any designated representative of such Bondowners whose authority is evidenced to the satisfaction of the Trustee.

Redemption Provisions

Optional Redemption. At the option of the Issuer, the Series 2018 Turbo Bonds are subject to redemption and payment prior to their Stated Maturity on December 1, 20__ or thereafter, as a whole or in part at any time, at the redemption price equal to 100% of the principal amount being redeemed, plus accrued interest thereon to the Redemption Date.

Mandatory Turbo Redemption (Excess Revenues Special Mandatory Redemption). The Series 2018 Turbo Bonds are subject to special mandatory redemption in ascending order of maturity by the Trustee prior to maturity, in whole or in part on each Interest Payment Date, at the redemption price of 100% of the principal amount being redeemed, together with accrued interest thereon to the date fixed for redemption, in an amount equal to the amount which is on deposit in the Redemption Account of the Debt Service Fund on an Interest Payment Date (or if such date is not a Business Day, the immediately preceding Business Day), provided that the Series 2018 Bonds shall be redeemed only in Authorized Denominations.

Special Mandatory Redemption. The Series 2018 Turbo Bonds are subject to special mandatory redemption by the Trustee, in whole but not in part, on any date in the event that moneys in the Debt Service Fund, Redemption Account and the Debt Service Reserve Fund are sufficient to redeem all of the Series 2018 Turbo Bonds at a redemption price of 100% of the Series 2018 Turbo Bonds Outstanding, together with accrued interest thereon to the date fixed for redemption.

Redemption of Defeased Series 2018 Turbo Bonds. Any Series 2018 Turbo Bonds that have been defeased in accordance with the provisions of the Indenture shall be subject to mandatory

redemption in part on each June 1 and December 1 following such defeasance, at a redemption price equal to 100% of the principal amount thereof, in accordance with the provisions of the Indenture.

Extraordinary Mandatory Redemption from Remaining Proceeds in the Project Fund. The Series 2018 Turbo Bonds are subject to mandatory redemption in whole or in part at any time on or before December 1, 2021 at a redemption price equal to 100% of the principal amount thereof, plus accrued interest thereon to the redemption date, from amounts transferred to the Debt Service Account established with respect to the Series 2018 Turbo Bonds from the Project Fund in accordance with the provisions of the Indenture.

Selection of Series 2018 Turbo Bonds to be Redeemed

Series 2018 Turbo Bonds shall be redeemed only in Authorized Denominations or any integral multiple in excess thereof.

Notice and Effect of Call for Redemption

In the event the Issuer desires to call the Series 2018 Turbo Bonds for redemption prior to maturity, written notice of such intent shall be provided to the Trustee in accordance with K.S.A. 10-129, as amended, not less than 60 days prior to the Redemption Date. The Trustee shall call Series 2018 Turbo Bonds for redemption and payment and shall give notice of such redemption as provided in the Indenture upon receipt by the Trustee at least 60 days prior to the Redemption Date of written instructions of the Issuer specifying the principal amount, Stated Maturities, Redemption Date and Redemption Prices of the Series 2018 Turbo Bonds to be called for redemption. If the Series 2018 Turbo Bonds are refunded more than 90 days in advance of such Redemption Date, any escrow agreement entered into by the Issuer in connection with such refunding shall provide that such written instructions to the Trustee shall be given by the escrow agent on behalf of the Issuer not more than 90 days prior to the Redemption Date. The Trustee may in its discretion waive such notice period so long as the remaining notice requirements set forth in the Indenture are met. See **Appendix A – DEFINITIONS** and **Appendix C – SUMMARY OF THE INDENTURE – “Notice of Redemption of Bonds.”**

Prior to any Redemption Date, the Issuer shall deposit with the Trustee an amount of money or Government Obligations sufficient to pay the Redemption Price of all the Series 2018 Turbo Bonds or portions of Series 2018 Turbo Bonds that are to be redeemed on such Redemption Date. Official notice of redemption having been given as aforesaid, the Series 2018 Turbo Bonds or portions of Series 2018 Turbo Bonds to be redeemed shall become due and payable on the Redemption Date, at the Redemption Price therein specified, and from and after the Redemption Date (unless the Issuer defaults in the payment of the Redemption Price) such Series 2018 Turbo Bonds or portion of Series 2018 Turbo Bonds shall cease to bear interest. Upon surrender of such Series 2018 Turbo Bonds for redemption in accordance with such notice, the Redemption Price of such Series 2018 Turbo Bonds shall be paid by the Trustee. Installments of interest due on or prior to the Redemption Date shall be payable as herein provided for payment of interest. Upon surrender for any partial redemption of any Series 2018 Bond, there shall be prepared for the Bondowner a new Series 2018 Bond or Series 2018 Turbo Bonds of the same Stated Maturity in the amount of the unpaid principal as provided in the Indenture. All Series 2018 Turbo Bonds that have been surrendered for redemption shall be cancelled and destroyed by the Trustee as provided in the Indenture and shall not be reissued.

Payment and Discharge Provisions

Series 2018 Turbo Bonds will be deemed to be paid and discharged and no longer Outstanding under the Indenture and will cease to be entitled to any lien, benefit or security of the Indenture if the

Issuer shall pay or provide for the payment of such Series 2018 Turbo Bonds in any one or more of the following ways: (1) by paying or causing to be paid the principal of (including redemption premium, if any) and interest on such Series 2018 Turbo Bonds, as and when the same become due and payable; (2) by delivering such Series 2018 Turbo Bonds to the Trustee for cancellation; or (3) by depositing in trust with the Trustee or other Paying Agent Government Obligations in an amount, together with the income or increment to accrue thereon, without consideration of any reinvestment thereof, sufficient to pay or redeem (when redeemable) and discharge the indebtedness on such Series 2018 Turbo Bonds at or before their respective maturity or redemption dates (including the payment of the principal of, premium, if any, and interest payable on such Series 2018 Turbo Bonds to the maturity or redemption date thereof); provided that, if any such Series 2018 Turbo Bonds are to be redeemed prior to the maturity thereof, notice of such redemption is given in accordance with the requirements of the Indenture or provision satisfactory to the Trustee is made for the giving of such notice.

Moneys and Government Obligations so deposited with the Trustee pursuant to the above provisions of the Indenture shall not be a part of the Trust Estate but shall constitute a separate trust fund for the benefit of the persons entitled thereto. Such moneys and Government Obligations shall be applied by the Trustee to the payment (either directly or through any Paying Agent, as the Trustee may determine) to the persons entitled thereto, of the principal (and premium, if any) and interest for whose payment such moneys and Government Obligations have been deposited with the Trustee.

Defeasance Provisions

The Indenture and the lien, rights and interests created by the Indenture shall cease, determine and become null and void (except as to any surviving rights of transfer or exchange of Series 2018 Turbo Bonds herein provided for in the Indenture) if the following conditions are met: (1) the principal of, premium, if any, and interest on all Series 2018 Turbo Bonds has been paid or is deemed to be paid and discharged by meeting the conditions of the Indenture and (2) all other sums payable under the Indenture with respect to the Series 2018 Turbo Bonds are paid or provision satisfactory to the Trustee is made for such payment. Thereupon, the Trustee shall execute and deliver to the Issuer a termination statement and such instruments of satisfaction and discharge of the Indenture as may be necessary and shall pay, assign, transfer and deliver to the Issuer, or other persons entitled thereto, all moneys, securities and other property then held by it under the Indenture as a part of the Trust Estate, other than moneys or Government Obligations held in trust by the Trustee as provided in the Indenture for the payment of the principal of, premium, if any, and interest on the Series 2018 Turbo Bonds.

Book-Entry Only

General. When the Series 2018 Turbo Bonds are issued, ownership interests will be available to purchasers only through a book-entry only system (the “**Book-Entry Only System**”) maintained by The Depository Trust Company (“**DTC**”), New York, New York. DTC will act as securities depository for the Series 2018 Turbo Bonds. Initially, the Series 2018 Turbo Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’S partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Series 2018 Bond certificate for each maturity of the Series 2018 Turbo Bonds will be issued, in the aggregate principal amount of such maturity, and will be deposited with DTC or the Trustee as its “FAST” agent. The following discussion will not apply to any Series 2018 Turbo Bonds issued in certificate form in the event of the discontinuance of the DTC Book-Entry Only System, as described below.

DTC and its Participants. DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within

the meaning of the New York Uniform Commercial Code and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934, as amended. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC’s participants (“**Direct Participants**”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“**DTCC**”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others, such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (the “**Indirect Participants**”). DTC has a Standard & Poor’s rating of AA+. The DTC Rules applicable to its Direct and Indirect Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchase of Ownership Interests. Purchases of the Series 2018 Turbo Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2018 Turbo Bonds on DTC’s records. The ownership interest of each actual purchaser of each Series 2018 Bond (the “**Beneficial Owner**”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2018 Turbo Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interest in the Series 2018 Turbo Bonds, except in the event that use of the book-entry system for the Series 2018 Turbo Bonds is discontinued.

Transfers. To facilitate subsequent transfers, all Series 2018 Turbo Bonds deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of the Series 2018 Turbo Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee does not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2018 Turbo Bonds; DTC’s records reflect only the identity of the Direct Participants to whose accounts such Series 2018 Turbo Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Notices. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of the Series 2018 Turbo Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2018 Turbo Bonds, such as redemptions, defaults and proposed amendments to the Indenture. For example, Beneficial Owners of the Series 2018 Turbo Bonds may wish to ascertain that the nominee holding the Series 2018 Turbo Bonds for their benefit has agreed to obtain and transmit

notices to the Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Registrar and request that copies of notices be sent directly to them.

Redemption notices shall be sent to DTC. If less than all of the Series 2018 Turbo Bonds are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in Series 2018 Turbo Bonds to be redeemed.

Voting. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Series 2018 Turbo Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Series 2018 Turbo Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Payments of Principal and Interest. All payments of principal of, premium, if any, and interest on such Series 2018 Turbo Bonds and any redemption proceeds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Issuer or the Trustee, on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Direct and Indirect Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC nor its nominee, the Trustee or the Issuer, subject to any statutory and regulatory requirements as may be in effect from time to time. Payment of principal of, premium, if any, and interest on the Series 2018 Turbo Bonds to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Issuer or the Trustee, disbursement of such payments to Direct Participants is the responsibility of DTC, and disbursement of such payments to the Beneficial Owners is the responsibility of Direct and Indirect Participants.

Discontinuation of Book-Entry Only System. DTC may discontinue providing its services as depository with respect to the Series 2018 Turbo Bonds at any time by giving reasonable notice to the Issuer or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, bond certificates are required to be printed and delivered.

The use of the system of book-entry-only transfers through DTC (or a successor securities depository) may be discontinued as described in the Indenture. In that event, bond certificates will be printed and delivered as described in the Indenture.

None of the Underwriter, the Trustee or the Issuer will have any responsibility or obligations to any Direct Participants or Indirect Participants or the persons for whom they act with respect to (i) the accuracy of any records maintained by DTC or any such Direct Participant or Indirect Participant; (ii) the payment by any Participant of any amount due to any Beneficial Owner in respect of the principal of, premium, if any, or interest on the Series 2018 Turbo Bonds or any redemption proceeds; (iii) the delivery by any such Direct Participant or Indirect Participant of any notice to any Beneficial Owner that is required or permitted under the terms of the Indenture to be given to Owners of the Series 2018 Turbo Bonds; (iv) the selection of the Beneficial Owners to receive payment in the event of any partial redemption of the Series 2018 Turbo Bonds; or (v) any consent given or other action taken by DTC as Bondholder.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Issuer believes to be reliable, but is not guaranteed as to accuracy or completeness

by and is not to be construed as a representation by the Issuer, the Trustee or the Underwriter. None of the Issuer, the Trustee or the Underwriter make any assurances that DTC, Direct Participants, Indirect Participants or other nominees of the Beneficial Owners will act in accordance with the procedures described above or in a timely manner.

Additional Bonds

Additional Bonds may be issued on a parity and equality with the Series 2018 Turbo Bonds under the Indenture on satisfaction of the requirements under the Indenture. No Additional Bonds may be issued on a senior lien basis to the Series 2018 Turbo Bonds. The Indenture requires that as a condition to issuance of Additional Bonds, the Issuer shall deliver to the Trustee: (A) a certificate of the Issuer to the effect that no default in the payment of principal, premium, if any, or interest exists with respect to any Parity Bonds; (B) a written report of an independent consultant specifying the projected Revenues for each Bond Year to and including the last Bond Year in which any Parity Bonds are scheduled to mature; (C) a certificate of the Issuer demonstrating that the projected weighted average life of each outstanding Parity Bond subject to Turbo Redemption as provided in the Indenture (including the Series 2018 Turbo Bonds), after giving effect to the issuance of the proposed Additional Bonds, is not greater than the Initial projected weighted average life of such Parity Bond. See **Appendix C – SUMMARY OF THE INDENTURE**.

The costs of the Projects to be funded with proceeds of the Series 2018 Turbo Bonds under the Development Agreements total \$26,500,000 and the Issuer may elect to remove provisions of the Indenture authorizing the issuance of Additional Bonds in the event the proceeds from the sale of the Series 2018 Turbo Bonds are sufficient to fully fund such costs.

Refunding Bonds

The Indenture provides that the Issuer shall have the right to issue Parity Bonds (the “**Refunding Bonds**”) to refund all of the Series 2018 Turbo Bonds or any portion of such Bonds, and the Refunding Bonds so issued shall enjoy complete equality of pledge with any of the Bonds that are not refunded, if any, upon the funds and accounts pledged under the Indenture; provided, however, that if only a portion of the Bonds are refunded and such partial refunding results in an increase in debt service on the Bonds in any year, then said Bonds may be refunded only (i) by and with the written consent of the Registered Bondowners of a majority in principal amount of the Bonds not refunded or (ii) if the Issuer delivers a certificate demonstrating that the projected weighted average life of each outstanding Parity Bond subject to Turbo Redemption, after giving effect to the issuance of the proposed Refunding Bonds, is not greater than the initial projected weighted average life of such Parity Bond.

SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2018 TURBO BONDS

Special Limited Obligations

The Series 2018 Turbo Bonds and the interest thereon are special, limited obligations of the Issuer payable (except to the extent paid out of Series 2018 Bond proceeds or the income from the temporary investment thereof) solely out of the Revenues and are secured by a transfer, pledge and assignment of and a grant of a security interest in the Trust Estate to the Trustee and in favor of the Bondowners, as provided in the Indenture.

The Series 2018 Turbo Bonds and interest thereon shall not be deemed to constitute a debt or liability of the Issuer or the State or of any political subdivision thereof, but shall be payable solely from the Revenues and the funds held under the Indenture. The issuance of the Series 2018 Turbo Bonds shall

not, directly, indirectly or contingently, obligate the Issuer, the State or any political subdivision thereof to levy any form of taxation therefor or to make any appropriation for their payment. The State shall not in any event be liable for the payment of the principal of, redemption premium, if any, or interest on the Series 2018 Turbo Bonds or for the performance of any pledge, mortgage, obligation or agreement of any kind whatsoever which may be undertaken by the Issuer.

No recourse shall be had for the payment of the principal of, or premium, if any, or interest on, any of the Series 2018 Turbo Bonds or for any claim based thereon or upon any obligation, provision, covenant or agreement contained in the Series 2018 Turbo Bonds or any document to which the Issuer, the Apartments and Garage Developer or the West Lawn Developer is a party, against any past, present or future elected official, director, trustee, member, manager, officer, official, employee or agent of the Issuer, the Apartments and Garage Developer, the West Lawn Developer, or the State, as such, either directly or through such entities or any successor to such entities, under any rule of law or equity, statute or constitution or by the enforcement of any assessment or penalty or otherwise.

Revenues

The Revenues available to pay debt service on the Series 2018 Turbo Bonds consist of the CID Sales Tax revenues received by the Issuer less an Issuer administrative fee of 1%. The area for collection of the CID Sales Tax is co-terminus with the CID and includes all entities conducting sales of tangible personal property at retail or rendering or furnishing services taxable pursuant to the provisions of the Kansas Retailers Sales Tax Act within the CID. Collection of the CID Sales Tax is for a term commencing on April 1, 2018 and expiring on March 31, 2040.

Debt Service Reserve Fund

As additional security for the Series 2018 Turbo Bonds, the Series 2018 Account of the Debt Service Reserve Fund will be funded from proceeds of the Series 2018 Turbo Bonds in the amount of \$_____, which represents 18 months of interest on the Series 2018 Bonds (the “**Debt Service Reserve Requirement**”). Amounts in the Series 2018 Account of the Debt Service Reserve Fund will be available to pay principal of and interest on the Series 2018 Turbo Bonds in the event that there are not sufficient moneys available for such purpose, and to be applied to the final payment of principal of and interest on the Series 2018 Turbo Bonds.

No Mortgage or Lien; No General Obligation

The Series 2018 Turbo Bonds are not secured by a mortgage or any other lien on the Projects or any of the property in the area comprising the CID. Neither the Issuer, the Apartments and Garage Developer or the West Lawn Developer nor any affiliate of such entities, or any employee, officer, member, agent, or representative of such entities has pledged its credit or assets or has provided any guaranty, surety, or undertaking of any kind, moral or otherwise, to pay the principal of, premium, if any, and interest on the Series 2018 Turbo Bonds.

The Issuer shall not have a general obligation for the payment of debt service on the Series 2018 Turbo Bonds or on any other amounts required to be paid by the Issuer under the Indenture, such amounts to be payable only from the Revenues pledged pursuant to the Indenture for the payment of the Series 2018 Turbo Bonds and neither the Trustee nor any Bondowner shall bring or maintain any suit, action or other proceeding for judgment against the Issuer for any payment required to be made under the Indenture, it being understood that the Trustee and the Bondowners will look, insofar as the Issuer is concerned, solely to the Revenues pledged pursuant to the Indenture for the payment of the Series 2018 Turbo Bonds and for the payment of all of the Issuer’s obligations under the Indenture and no other

property or assets of the Issuer shall be subject to levy, execution or other enforcement procedure for the satisfaction of the Issuer's obligations under the Indenture.

Special Indenture Covenants of the Issuer

Pursuant to the Indenture and while any Bonds are Outstanding, the Issuer covenants and agrees that it will not adopt an ordinance reducing or repealing the CID Sales Tax. Except as authorized in the Indenture, the Issuer shall not issue any bonds or incur other obligations that are secured by the CID Sales Tax. Pursuant to the Indenture and while any Bonds are Outstanding, the Issuer covenants and agrees that it will not amend the Development Agreements in any manner that would have a material adverse impact on the Revenues.

DISTRIBUTION OF REVENUES UNDER THE INDENTURE

The discussion under this caption contains a summary of certain provisions of the Indenture, but such summary does not purport to be comprehensive or definitive. All references herein to the Indenture are qualified in their entirety by reference to the definitive form of such document. Copies of the Indenture may be obtained from the sources listed in "SUMMARY STATEMENT – Additional Information."

Issuer Funds for Deposit of Revenues

Pursuant to the Indenture, the Issuer will establish the CID Fund (the "**CID Fund**") that is held in the custody of the Issuer. The Indenture further provides that the CID Fund shall be segregated and kept separate and apart from all other moneys, revenues, funds and accounts of the Issuer and shall not be commingled with any other moneys, revenues, funds and accounts of the Issuer and that such fund shall be maintained and administered in the manner provided in the Indenture so long as any of the Series 2018 Turbo Bonds remain Outstanding. The Issuer deposits the Revenues into the CID Fund, upon receipt from the State. See "**TAX LEVY, REPORTING AND COLLECTION**" herein.

Revenue Fund

Pursuant to the Indenture, the Trustee will establish a special and irrevocable separate trust fund to be held in the custody of the Trustee and designated as the "**Revenue Fund**." All Revenues received by the Trustee are deposited into the Revenue Fund. Moneys in the Revenue Fund are held in trust by the Trustee and will be applied solely in accordance with the provisions of the Indenture.

Transfer of Revenues

The Issuer covenants and agrees in the Indenture that from and after the delivery of the Series 2018 Turbo Bonds and continuing so long as any of the Series 2018 Turbo Bonds remain Outstanding, it will, no later than March 31st, June 30th, September 30th, and December 31st of each year, beginning no later than June 30, 2018, transfer the Revenues to the Trustee for deposit to the Revenue Fund.

Application of Moneys in the Revenue Fund

Moneys in the Revenue Fund shall be applied by the Trustee, on the 40th day immediately preceding each Interest Payment Date, as follows:

(a) **Rebate Fund.** There shall be credited to the Rebate Fund, an amount sufficient to pay rebate, if any, to the United States of America, owed under Section 148 of the Code, as directed in writing by the Issuer in accordance with the Tax Compliance Agreement.

(b) **Fees.** There shall next be paid to the Trustee, any Dissemination Agent, any Paying Agent or any Rebate Analyst, an amount sufficient for payment of any fees and expenses which are due and owing to the Trustee, any Dissemination Agent, any Paying Agent or any Rebate Analyst, upon delivery to the Issuer of an invoice for such amounts. In no event shall the sum of all fees and expenses due and owing to the Trustee, any Dissemination Agent, any Paying Agent and any Rebate Analyst exceed \$10,000 per year, excluding any extraordinary fees and expenses incurred by the Trustee in connection with the Bonds.

(c) **Debt Service Fund – Interest Payment.** There shall next be credited to the Debt Service Fund, an amount such that the aggregate balance on deposit therein is equal to the interest becoming due on the Bonds on the next two (2) Interest Payment Dates.

(d) **Debt Service Reserve Fund.** There shall next be credited to the Debt Service Reserve Fund, if the amount on deposit in the Debt Service Reserve Fund is less than the Debt Service Reserve Requirement, such amounts as are necessary to restore any deficiency to the Debt Service Reserve Fund.

(e) **Excess Revenues for Projected Mandatory Turbo Redemption.** The Trustee shall then determine the amount of Excess Revenues. The Trustee shall give written notice of the amount of such Excess Revenues to the Issuer, and the Trustee shall transfer from such Excess Revenues to the Redemption Account of the Debt Service Fund and redeem such amount of Series 2018 Turbo Bonds in accordance with the Indenture.

Notwithstanding the foregoing, if on the 40th day (or if such day is not a Business Day, the immediately preceding Business Day) prior to each Interest Payment Date, the amounts in the Revenue Fund are not sufficient to make the deposits required by clauses (a) through (d) above, then on the Business Day immediately preceding such Interest Payment Date, the Trustee shall apply all amounts on deposit in the Revenue Fund to make the deposits required by clauses (a) through (d) above, to the extent possible prior to the application of any amount held in any reserve fund therefor.

BONDOWNERS' RISKS

An investment in the Series 2018 Turbo Bonds is subject to a number of significant risk factors. The following is a discussion of certain risks that could affect payments to be made with respect to the Series 2018 Turbo Bonds. Such discussion is not, and is not intended to be, exhaustive and should be read in conjunction with all other parts of this Official Statement and should not be considered as a complete description of all risks that could affect such payments. Prospective purchasers of the Series 2018 Turbo Bonds should analyze carefully the information contained in this Official Statement, including the appendices hereto, and additional information in the form of the complete documents summarized herein, copies of which are available as described herein.

Each prospective investor is urged to consult with its own legal, tax, and financial advisors to determine whether an investment in the Series 2018 Turbo Bonds is appropriate in light of its individual legal, tax and financial situation.

General

The purchase of the Series 2018 Turbo Bonds involves certain investment risks which are discussed throughout this Official Statement, and each prospective investor should make an independent evaluation of all information presented in this Official Statement in order to make an informed investment decision. The Series 2018 Turbo Bonds should only be purchased by investors who can bear the continuing risk of an investment in the Series 2018 Turbo Bonds until maturity or prior redemption. Particular attention should be given to the factors described below which, among others, could affect the ability of the Issuer to pay debt service on the Series 2018 Turbo Bonds when due.

Special, Limited Obligations

The Series 2018 Turbo Bonds and the interest thereon are special, limited obligations of the Issuer payable (except to the extent paid out of Series 2018 Bond proceeds or the income from the temporary investment thereof) solely out of the Revenues and are secured by a transfer, pledge and assignment of and a grant of a security interest in the Trust Estate to the Trustee and in favor of the Bondowners, as provided in the Indenture.

The Series 2018 Turbo Bonds and interest thereon shall not be deemed to constitute a debt or liability of the Issuer or the State or of any political subdivision thereof, but shall be payable solely from Revenues and the funds held under the Indenture. The issuance of the Series 2018 Turbo Bonds shall not, directly, indirectly or contingently, obligate the Issuer, the State or any political subdivision thereof to levy any form of taxation therefor or to make any appropriation for their payment. The State shall not in any event be liable for the payment of the principal of, redemption premium, if any, or interest on the Series 2018 Turbo Bonds or for the performance of any pledge, mortgage, obligation or agreement of any kind whatsoever which may be undertaken by the Issuer.

No recourse shall be had for the payment of the principal of, or premium, if any, or interest on, any of the Series 2018 Turbo Bonds or for any claim based thereon or upon any obligation, provision, covenant or agreement contained in the Series 2018 Turbo Bonds or any document to which the Issuer, the Apartment Project Developer or the West Lawn Developer is a party, against any past, present or future elected official, director, trustee, member, manager, officer, official, employee or agent of the Issuer, the Apartment Project Developer, the West Lawn Developer, or the State, as such, either directly or through such entities or any successor to such entities, under any rule of law or equity, statute or constitution or by the enforcement of any assessment or penalty or otherwise. See “**SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2018 TURBO BONDS**” herein.

No Mortgage or Lien; No General Obligation

The Series 2018 Turbo Bonds are not secured by a mortgage or any other lien on the Projects or any of the property in the area comprising the CID. Neither the Issuer, the Apartment Project Developer, or the West Lawn Developer nor any affiliate of such entities, or any employee, officer, member, agent, or representative of such entities has pledged its credit or assets or has provided any guaranty, surety, or undertaking of any kind, moral or otherwise, to pay the principal of, premium, if any, and interest on the Series 2018 Turbo Bonds.

The Issuer shall not have a general obligation for the payment of debt service on the Series 2018 Turbo Bonds or on any other amounts required to be paid by the Issuer under the Indenture, such amounts to be payable only from the Revenues pledged pursuant to the Indenture for the payment of the Series 2018 Turbo Bonds and neither the Trustee nor any Bondowner shall bring or maintain any suit, action or other proceeding for judgment against the Issuer for any payment required to be made under the

Indenture, it being understood that the Trustee and the Bondowners will look, insofar as the Issuer is concerned, solely to the Revenues pledged pursuant to the Indenture for the payment of the Series 2018 Turbo Bonds and for the payment of all of the Issuer's obligations under the Indenture and no other property or assets of the Issuer shall be subject to levy, execution or other enforcement procedure for the satisfaction of the Issuer's obligations under the Indenture.

Factors Affecting Revenues

The payment of the Series 2018 Turbo Bonds is solely dependent on the generation of sufficient Revenues to make the payments necessary to pay principal of and interest on the Series 2018 Turbo Bonds. See **"SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2018 TURBO BONDS"** herein and the Revenue Study attached hereto as **Appendix A**. In addition, the amount of Revenues generated will impact the amount of Series 2018 Turbo Bonds redeemed on each Interest Payment Date. See the discussion under this caption under the subheading **"Early Redemption of the Series 2018 Turbo Bonds"** and under the caption **"SUMMARY OF BOND STRUCTURING ASSUMPTIONS – Projected Turbo Redemptions."**

Revenues are contingent upon and the amount generated will be affected by a variety of factors, including the following: economic conditions affecting the retail entities operating within the CID and the surrounding area; continued operation of the retail entities within the Existing CID Retail Development; competition from other competing businesses; rental rates and occupancy rates affecting the retail entities operating within the CID and the surrounding area; availability of transportation, neighborhood changes, crime levels in the area, vandalism, and operating costs; and interruption or termination of operation of retail businesses in the CID as a result of fire, natural disaster, strikes or similar events, among many other factors. As a result, it is not possible to predict with certainty the amount of Revenues which will be available in any year to pay debt service on the Series 2018 Turbo Bonds. The retail industry is highly competitive. Retail businesses outside the CID which are currently existing, or which are developed after the date of this Official Statement, will be competitive with the retail entities operating within the CID and could have an adverse impact on the available amount of Revenues generated within the CID.

Competition

The retail entities operating within the CID (including the Existing CID Retail Development), face competition for sales (which, in turn, generate Revenues) from other shopping centers, strip centers, and freestanding retailers located in the greater Kansas City metropolitan area. Other centers in the market area may be possible competitors of the retail entities operating within the CID and new competitors may be developed. In addition, competition between retailers within the CID could cause the failure of other retailers within the CID, including the Existing CID Retail Development. In addition, traditional "brick and mortar" retailers, such as those in the Existing CID Retail Development, are facing growing competition from online retailers. Such competition within and without the CID and from e-commerce retailers, could adversely affect the ability of the retail entities operating within the CID to generate Revenues in each year in amounts sufficient to pay principal of and interest on the Series 2018 Turbo Bonds on a timely basis or at all. See **Appendix A – REVENUE STUDY - "REGIONAL AND LOCAL RETAIL CONDITION"** and **"INDUSTRY CONTEXT AFFECTING THE ANALYSIS – E-Commerce Retail Sales."**

Concentration of Revenues from Largest Taxpayers

The partial or complete destruction of any retail entities operating within the CID, as a result of fire, natural disaster or similar casualty event, or the temporary or permanent closing of one or more retail

businesses due to strikes or business failure, would adversely affect the amount of Revenues generated within the CID in the years affected. Currently, the five largest sales taxpayers within the CID collectively generate approximately 28.2% of the Revenues and the ten largest sales taxpayers within the CID collectively generate approximately 40.0% of the Revenues. Due to the concentration of Revenues projected to be generated by large taxpayers within the CID, the damage or destruction of such retail businesses, even for a short amount of time, could have a substantial impact on the amount of Revenues generated during the affected time period. See “**COMMUNITY IMPROVEMENT DISTRICT, EXISTING CID RETAIL DEVELOPMENT AND HISTORICAL RETAIL SALES – Largest Projected CID Sales Taxpayers.**”

Changes in Economic and Demographic Conditions

Sales tax revenues and property values historically have been sensitive to changes in local, regional and national economic conditions. For example, sales tax revenues and property values have historically declined during economic recessions, when high unemployment adversely affects consumption and the commercial retail market. Demographic changes in the population of the market area for the retail entities operating within the CID, including the Existing CID Retail Development, may adversely affect retail sales and the level of Revenues. A decline in population could reduce the number and value of taxable transactions and thus reduce retail sales and the level of Revenues. It is not possible to predict whether or to what extent any such changes in economic conditions, demographic characteristics, population or commercial and industrial activity will occur, and what impact any such changes would have on Revenues.

Pursuant to the Issuer’s Continuing Disclosure Agreement, the Issuer has covenanted to make available annual information regarding Revenues deposited in the Revenue Fund under the Indenture. Due to the confidentiality of sales tax information under State law, the Issuer will not be permitted to disclose the aggregate Revenues from the retailers operating within the CID unless they are generated by five or more taxpayers. See the discussion herein under the caption “**TAX LEVY, REPORTING AND COLLECTION – Confidentiality of Tax Information.**” The Issuer has agreed in the Issuer’s Continuing Disclosure Agreement to provide certain information with respect to the Revenues generated by such taxpayers as provided in the Issuer Continuing Disclosure Agreement. See **Appendix D – FORMS OF CONTINUING DISCLOSURE AGREEMENTS**, attached hereto.

Misallocation of Revenues

The payment of the Series 2018 Turbo Bonds from Revenues is dependent on the proper allocation and deposit of CID Sales Tax revenues generated within the CID by the State and the Issuer and the proper reporting of CID Sales Tax revenues by retail entities in the CID. The Issuer monitors sales tax reporting and collections related to retail entities operating in the CID. From time the Issuer has determined that certain of the retail entities have not timely filed their sales tax returns with the State or have improperly coded their sales tax returns such that the certain special district sales taxes, similar to the CID Sales Tax, were not distinguished from other Issuer sales tax revenues. The Issuer has worked with the State and the retail entities to correct such mistakes. From time to time errors may occur in the reporting of Revenues by other retail entities and the allocation of Revenues to the CID by the State or the Issuer for deposit with the Trustee.

Revenue Study

The projected annual Revenues contained in the Revenue Study and included or reflected in this Official Statement are based on various assumptions concerning facts and events over which the Issuer has no control. The preparer of the Revenue Study has prepared revenue studies for other retail projects

in which projected revenues were higher than the revenues which were actually realized. ***No representation or warranty is or can be made about the amount or timing of any future income, loss, occupancy, valuation, increased assessment or revenues, or that actual results will be consistent with the Revenue Study or with the Revenue projections contained therein.*** The information in the Revenue Study is based on various assumptions, estimates and opinions. Certain assumptions in the Revenue Study were provided by the West Lawn Developer, the Apartments and Garage Developer and the Issuer which were not verified. There is no assurance that actual events will correspond with the projections or the assumptions, estimates and opinions on which they are based. The Issuer, the Apartments and Garage Developer, the West Lawn Developer, the Municipal Advisor or the Underwriter make no representation or warranty (express or implied) as to the accuracy or completeness of any financial, technical or statistical data or any estimates, projections, assumptions or expressions of opinion set forth in the Revenue Study.

The Revenue Study is forward-looking and involves certain assumptions and judgments regarding future events. Although the Revenue Study is based on currently available information, it is also based on assumptions about the future state of the national and regional economy and the local real estate markets as well as assumptions about future actions by various parties, which cannot be assured or guaranteed. The Revenue Study is not a prediction or assurance that a certain level of performance will be achieved or that certain events will occur. The actual results will vary from the Revenue Study, and the variations may be material. Prospective purchasers should read the Revenue Study carefully and form their own opinions about the validity and reasonableness of such assumptions. See “**—Forward-Looking Statements**” and “**REVENUE STUDY**” herein and **Appendix A – REVENUE STUDY**, attached hereto.

Forward-Looking Statements

Certain statements included in or incorporated by reference in this Official Statement that are not purely historical are “*forward-looking statements*” within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the United States Securities Act of 1933, as amended, and reflect current expectations, hopes, intentions or strategies regarding the future. Such statements may be identifiable by the terminology used such as “*project*,” “*plan*,” “*expect*,” “*estimate*,” “*budget*,” “*intend*,” “*anticipate*” or other similar words. Such forward-looking statements include, among others, certain statements under the section captioned “**BONDOWNERS’ RISKS,**” “**EXISTING CID RETAIL DEVELOPMENT AND HISTORICAL RETAIL SALES,**” “**PROJECT,**” “**REVENUE STUDY,**” “**SUMMARY OF BOND STRUCTURING ASSUMPTIONS**” and in **Appendix A**, attached hereto.

THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS THAT MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS DESCRIBED TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS, INCLUDED IN SUCH RISKS AND UNCERTAINTIES ARE (I) THOSE RELATING TO THE POSSIBLE INVALIDITY OF THE UNDERLYING ASSUMPTIONS AND ESTIMATES, (II) POSSIBLE CHANGES OR DEVELOPMENTS IN SOCIAL, ECONOMIC, BUSINESS, INDUSTRY, MARKET, LEGAL AND REGULATORY CIRCUMSTANCES, AND (III) CONDITIONS AND ACTIONS TAKEN OR OMITTED TO BE TAKEN BY THIRD PARTIES, INCLUDING CUSTOMERS, SUPPLIERS, USERS, BUSINESS PARTNERS AND COMPETITORS, AND LEGISLATIVE, JUDICIAL AND OTHER GOVERNMENTAL AUTHORITIES AND OFFICIALS. ASSUMPTIONS RELATED TO THE FOREGOING

INVOLVE JUDGMENTS WITH RESPECT TO, AMONG OTHER THINGS, FUTURE ECONOMIC, COMPETITIVE, AND MARKET CONDITIONS AND FUTURE BUSINESS DECISIONS, ALL OF WHICH ARE DIFFICULT OR IMPOSSIBLE TO PREDICT ACCURATELY. FOR THESE REASONS, THERE CAN BE NO ASSURANCE THAT THE FORWARD-LOOKING STATEMENTS INCLUDED IN THIS OFFICIAL STATEMENT WILL PROVE TO BE ACCURATE.

UNDUE RELIANCE SHOULD NOT BE PLACED ON FORWARD-LOOKING STATEMENTS. ALL FORWARD-LOOKING STATEMENTS INCLUDED IN THIS OFFICIAL STATEMENT ARE BASED ON INFORMATION AVAILABLE ON THE DATE HEREOF, AND THE ISSUER ASSUMES NO OBLIGATION TO UPDATE ANY SUCH FORWARD-LOOKING STATEMENTS IF OR WHEN EVENTS, CONDITIONS OR CIRCUMSTANCES ON WHICH SUCH STATEMENTS ARE BASED OCCUR OR FAIL TO OCCUR, OTHER THAN AS INDICATED UNDER THE CAPTION “CONTINUING DISCLOSURE.”

Change in Law

Various state and federal laws, regulations and constitutional provisions apply to the obligations created by the Series 2018 Turbo Bonds. There is no assurance that there will not be any change in, interpretation of, or addition to such applicable laws, provisions and regulations which would have a material effect, either directly or indirectly, on the Issuer or the taxing authority of the Issuer.

There can be no assurance that the State of Kansas will not pass legislation limiting the application of the CID Sales Tax in the future. In that event, the effect of the legislation on the future Revenues derived from the CID Sales Tax is unknown.

The Kansas legislature has the authority to amend the provisions of State law governing the taxes imposed within the CID. Pursuant to the Indenture and while any Bonds are Outstanding, the Issuer covenants and agrees that it will not adopt an ordinance reducing or repealing the CID Sales Tax. Changes to the tax base and exemptions could affect the amount of Revenues available for payment of the Series 2018 Turbo Bonds. Any change in the current system of collection and distribution of sales taxes in the State, including without limitation the reduction or elimination of the CID Sales Tax, judicial action concerning such tax or voter initiative, referendum or action with respect to such tax, would likely affect the amount of Revenues generated in any year and could adversely affect the availability of Revenues in any year in amounts sufficient to pay the principal of and interest on the Series 2018 Turbo Bonds. There can be no assurance that the current system of collection and distribution of sales taxes will not be changed by any competent authority having jurisdiction to do so, including without limitation the State, the Issuer, the courts or the voters. See **“TAX LEVY, REPORTING, AND COLLECTION”** herein.

Availability of Debt Service Reserve Fund

At the time of issuance of the Series 2018 Turbo Bonds, the Series 2018 Debt Service Reserve Account in the Debt Service Reserve Fund will be funded from proceeds of the Series 2018 Turbo Bonds in the amount of the Debt Service Reserve Requirement for the Series 2018 Turbo Bonds. There can be no assurance that the amounts on deposit in the Series 2018 Debt Service Reserve Account in the Debt Service Reserve Fund, if needed for payment of the Series 2018 Turbo Bonds, will be available in the full amount of the Debt Service Reserve Requirement for the Series 2018 Turbo Bonds, because the market value of the securities in which such funds are invested may have declined.

Tax-Exempt Status

The exclusion from federal gross income of interest on the Series 2018 Turbo Bonds is based on the continued compliance by the Issuer with certain covenants relating generally to restriction on use of the improvements financed with proceeds of the Series 2018 Turbo Bonds, arbitrage limitations, and rebate of certain excess investment earnings to the federal government. Failure to comply with such covenants could cause interest on the Series 2018 Turbo Bonds to become subject to federal income taxation retroactive to the date of issuance. The Series 2018 Turbo Bonds are not subject to redemption solely as a consequence thereof. The Series 2018 Turbo Bonds are not subject to acceleration and no additional interest or penalty is payable under the terms of the Indenture in the event of the taxability of interest on the Series 2018 Turbo Bonds. See “**TAX MATTERS**” herein.

Enforceability of Remedies

The remedies available to the Trustee, the Issuer and Bondholders upon an event of default under the Indenture are in many respects dependent upon judicial actions that are often subject to discretion and delay. Under existing constitutional and statutory law and judicial decisions, including specifically the United States Bankruptcy Code, the remedies specified by the Indenture may not be readily available or may be limited. The various legal opinions to be delivered concurrently with the delivery of the Series 2018 Turbo Bonds will be qualified as to the enforceability of the various legal instruments by limitations imposed by principles of equity and by bankruptcy, reorganization, insolvency, moratorium or other similar laws affecting the rights of creditors generally. See **Appendix C – SUMMARY OF THE INDENTURE**, attached hereto. The Series 2018 Turbo Bonds are not subject to acceleration upon the occurrence of an Event of Default under the Indenture.

No Credit Rating; Risk of Investment; Marketability

The Series 2018 Turbo Bonds do not have a credit rating from any source, and are not suitable investments for all investors. Each prospective purchaser is responsible for assessing the merits and risks of an investment in the Series 2018 Turbo Bonds and must be able to bear the economic risk of such investment in the Series 2018 Turbo Bonds.

The absence of a rating could affect the ability of Bondowners to sell their Series 2018 Turbo Bonds or the price at which their Series 2018 Turbo Bonds can be sold. No assurance can be given that a secondary market for the Series 2018 Turbo Bonds will develop following the completion of the offering of the Series 2018 Turbo Bonds. The Series 2018 Turbo Bonds are not readily liquid, and no person should invest in the Series 2018 Turbo Bonds with funds such person may need to convert readily into cash. Bondowners should be prepared to hold their Series 2018 Turbo Bonds to the stated maturity date. The Underwriter will not be obligated to repurchase any of the Series 2018 Turbo Bonds, and no representation is made concerning the existence of any secondary market for the Series 2018 Turbo Bonds. No assurance can be given that any secondary market will develop following the completion of the offering of the Series 2018 Turbo Bonds and no assurance can be given that the initial offering price for the Series 2018 Turbo Bonds will continue for any period of time.

Early Redemption

Revenues derived from the Series 2018 Turbo Bonds in excess of the amount required to pay rebate, if any, to the United States of America, to pay interest on the Series 2018 Turbo Bonds as and when due, to restore any deficiency in the Debt Service Reserve Fund and to pay certain fees and expenses, are available for the purpose of redeeming Series 2018 Turbo Bonds prior to maturity on each Interest Payment Date pursuant to the special mandatory redemption provisions in the Indenture as

described in this Official Statement. It is not possible to determine the actual amount of Revenues that will be generated within the CID and the assumptions regarding the amount of such Revenues available for redemptions of the Series 2018 Turbo Bonds prior to maturity are based on the Revenue Study and the Structuring Assumptions.

The Series 2018 Turbo Bonds are also subject to extraordinary mandatory redemption on December 1, 2021 from Series 2018 Turbo Bonds proceeds remaining in the Project Fund on October 1, 2021. Various factors could impact the construction of each Project and the disbursement of moneys in the Project Fund under the provisions of the Indenture and the West Lawn Development Agreement and the Apartments and Garage Development Agreement.

The Apartments and Garage Development Agreement provides that that: (i) an amount equal to \$500,000 may be withheld from the final distribution of CID Project Costs to the Apartments and Garage Developer if it has failed to complete certain sidewalk and curb improvements as required by the Apartments and Garage Development Agreement, and (ii) an amount equal to \$875,000 may be withheld from the final distribution of CID Project Costs to the Apartments and Garage Developer if it fails to demonstrate best efforts to meet its contractual goals for local, minority and women's participation in the construction and completion of the “garage portion” of the Legends Apartments and Garage Project. The Apartments and Garage Developer is contractually obligated to substantially complete the project (including the “garage portion” and the apartments) by December 31, 2020. If the Apartments and Garage Developer is not able to demonstrate that it has completed the sidewalk and curb improvements described in (i) above, and that it has used best efforts to meet the participation goals for the garage portion of the Project as described in (ii) above, the moneys described in (i) and/or (ii) above shall remain in the Project Fund established with respect to the Series 2018 Bonds. Any money remaining in the Project Fund on October 1, 2021 shall automatically be transferred to the Debt Service Fund and applied to redeem the Series 2018 Bonds on December 1, 2021.

The West Lawn Development Agreement provides that an amount equal to \$450,000 may be withheld from the final distribution of CID Project Costs to the West Lawn Developer if it fails to demonstrate best efforts to meet its contractual goals for local, minority and women's participation in the construction and completion of the West Lawn Project. The West Lawn Developer is contractually obligated to substantially complete the West Lawn Project by December 31, 2018. If West Lawn Developer is not able to demonstrate that it has used best efforts to meet the participation goals for the Project, then \$450,000 shall remain in the Project Fund established with respect to the Series 2018 Bonds. Any money remaining in said Project Fund on October 1, 2021 shall automatically be transferred to the Debt Service Fund and applied to redeem the Series 2018 Bonds on December 1, 2021.

See “THE PROJECTS, DEVELOPERS AND DEVELOPMENT AGREEMENTS - Project Funding Holdbacks and Special Mandatory Redemption Provisions.”

The Series 2018 Turbo Bonds are also subject to special mandatory redemption in whole on any date in the event that moneys in the Debt Service Fund, Redemption Account and the Debt Service Reserve Fund are sufficient to redeem all of the Series 2018 Turbo Bonds at par. This provision could allow the Issuer to redeem the Series 2018 Turbo Bonds at any time to refinance such debt if more favorable financing was available or payoff such debt from available resources of the Issuer.

Purchasers of the Series 2018 Turbo Bonds should bear in mind that such redemption features could affect the price of the Series 2018 Turbo Bonds in the secondary market and the actual maturity of the Series 2018 Turbo Bonds held by such purchaser. See **“SUMMARY OF BOND STRUCTURING ASSUMPTIONS,” “SERIES 2018 TURBO BONDS – Redemption Provisions – Extraordinary**

Mandatory Redemption from Remaining Proceeds in the Project Fund,” and **“REVENUE STUDY”** herein and **Appendix A – REVENUE STUDY**, attached hereto.

COMMUNITY IMPROVEMENT DISTRICT, EXISTING CID RETAIL DEVELOPMENT AND HISTORICAL RETAIL SALES

Community Improvement District and CID Sales Tax

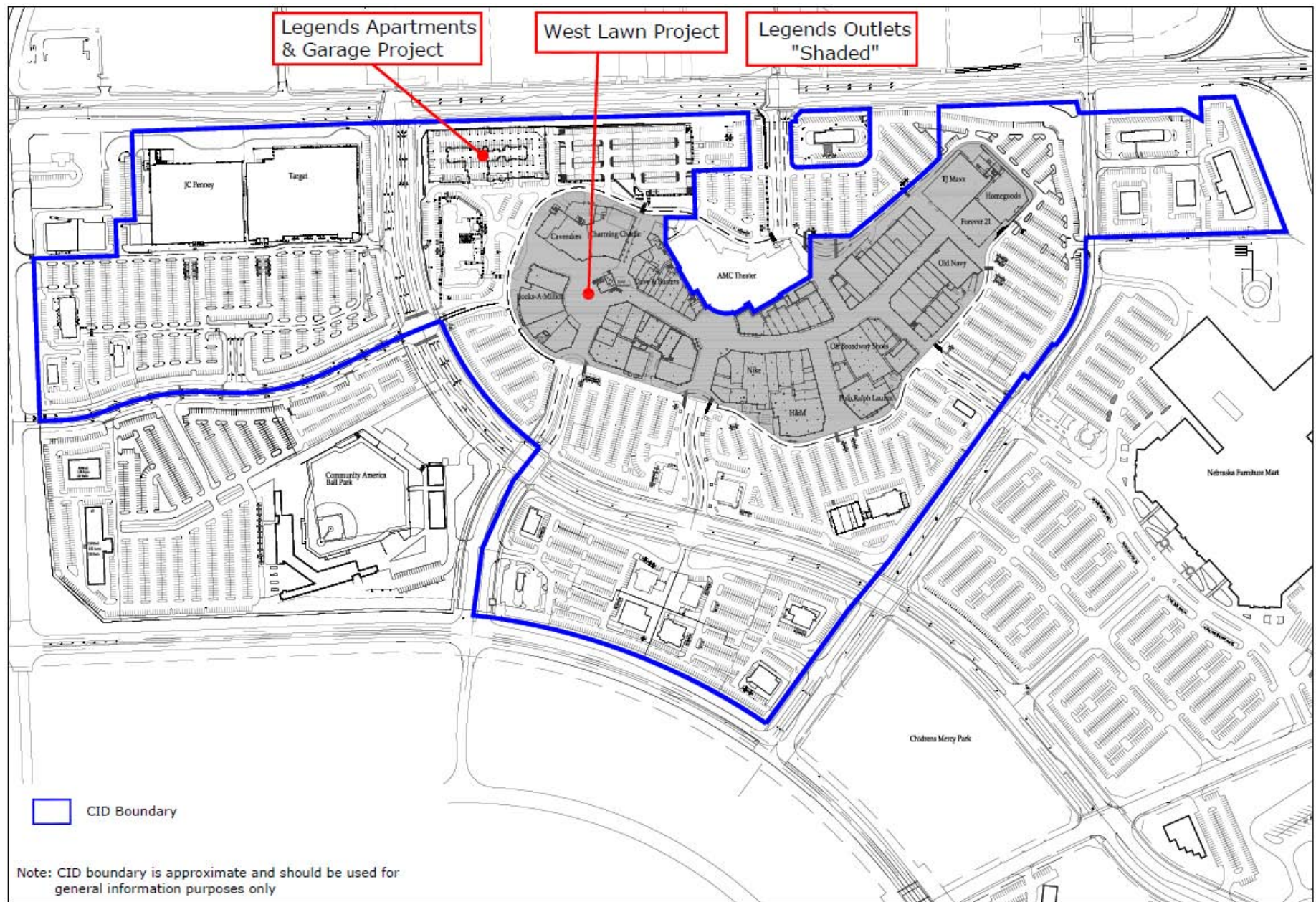
The CID Act authorizes cities and counties to create community improvements districts as a method of financing economic development-related improvements authorized under the CID Act in a defined area in the city or county and levy a community improvement district sales tax upon property within the district to finance projects. On December 12, 2015, in accordance with the provisions of Section 12-6a26 *et seq.*, Kansas Statutes Annotated, as amended (the **“CID Act”**), a petition was filed with the Issuer proposing the creation of a community improvement district (the **“Original CID”**) and requesting the imposition of a 0.6 percent community improvement district sales tax (the **“Original CID Sales Tax”**) within the boundaries of the Original CID in order to pay certain reimbursable costs of a project pursuant to the CID Act. On January 7, 2016, the Board of Commissioners of the Issuer passed Ordinance No. O-4-16 creating the Original CID and imposing the Original CID Sales Tax on the sales of tangible personal property at retail or rendering or furnishing services taxable pursuant to the provisions of the Kansas Retailers Sales Tax Act within the boundaries of the CID. Imposition of the Original CID Sales Tax commenced on July 1, 2016 and terminated on March 31, 2018. The Issuer currently has \$2,135,194.45 of revenues of such tax on deposit to fund reimbursable CID Project Costs of the Legends Apartments and Garage Project that will be deposited at closing in the CID Proceeds Subaccount of the Garage Account of the Project Fund created under the Indenture and additional receipts of the Original CID Sales Tax received by the Issuer will also be deposited into such account.

The costs of the project to be funded from the Original CID have increased and the project was expanded from the time of creation of the Original CID and on November 16, 2017, a petition was filed with the Issuer proposing the creation of a new community improvement district to impose a community improvement district sales tax, to replace the Original CID and the Original CID Sales Tax. On December 21, 2017, the Board of Commissioners of the Issuer passed Ordinance No. O-76-17 creating the CID and imposed a 1.0 percent CID Sales Tax within the boundaries of the CID. The boundaries of the Original CID included the Legends AMC Theater, but this property was excluded from the boundaries of the CID. The CID Sales Tax will commence on April 1, 2018 and will expire on March 31, 2040.

The boundaries of the CID, which is the area within which the CID Sales Tax will be collected, include the Projects and the Existing CID Retail Development. A site plan showing the boundaries of the CID, the Existing CID Retail Development (including certain of the existing retail entities) and the location of the Projects is set forth below.

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Community Improvement District and Existing CID Retail Development



Background and Overview of Village West, Legends Outlets and Other Existing CID Retail Development

In 1997, the Kansas legislature authorized certain local governments, with the approval of the State, to issue sales tax and revenue bonds to help finance the creation of a “*major tourism area.*” In 1998, pursuant to such legislation the Issuer established the Prairie-Delaware Redevelopment District, an approximately 1,600 acre area located at the northwest corner of I-435 and I-70 in western Wyandotte County and began the development of a major retail and entertainment area (known as “**Village West**”), that includes retailers, entertainment and sports venues, restaurants, hotels and commercial and office complexes. The development of Village West has been brought about in part through various development agreements and incentives provided by the Issuer. The CID is located within Village West and the CID boundaries include the Existing CID Retail Development (as described below) and the Projects.

The Existing CID Retail Development includes a majority of retail space of a shopping center known as the Legends Outlets (the portion of the shopping center that is included in the CID is referred to herein as “Legends Outlets”). Legends Outlets includes approximately 556,688 square feet of occupied retail space and approximately 39,695 square feet of vacant retail space. Legends Outlets is served by extensive field parking and an existing 900 car parking garage. Legends Outlets is owned by W-LD Legends Owner VII, L.L.C., a Delaware limited liability company (the “**West Lawn Developer**”), and is managed by Legacy Asset Management, LLC, a Kansas limited liability company (the “**Legends Outlets Manager**”).

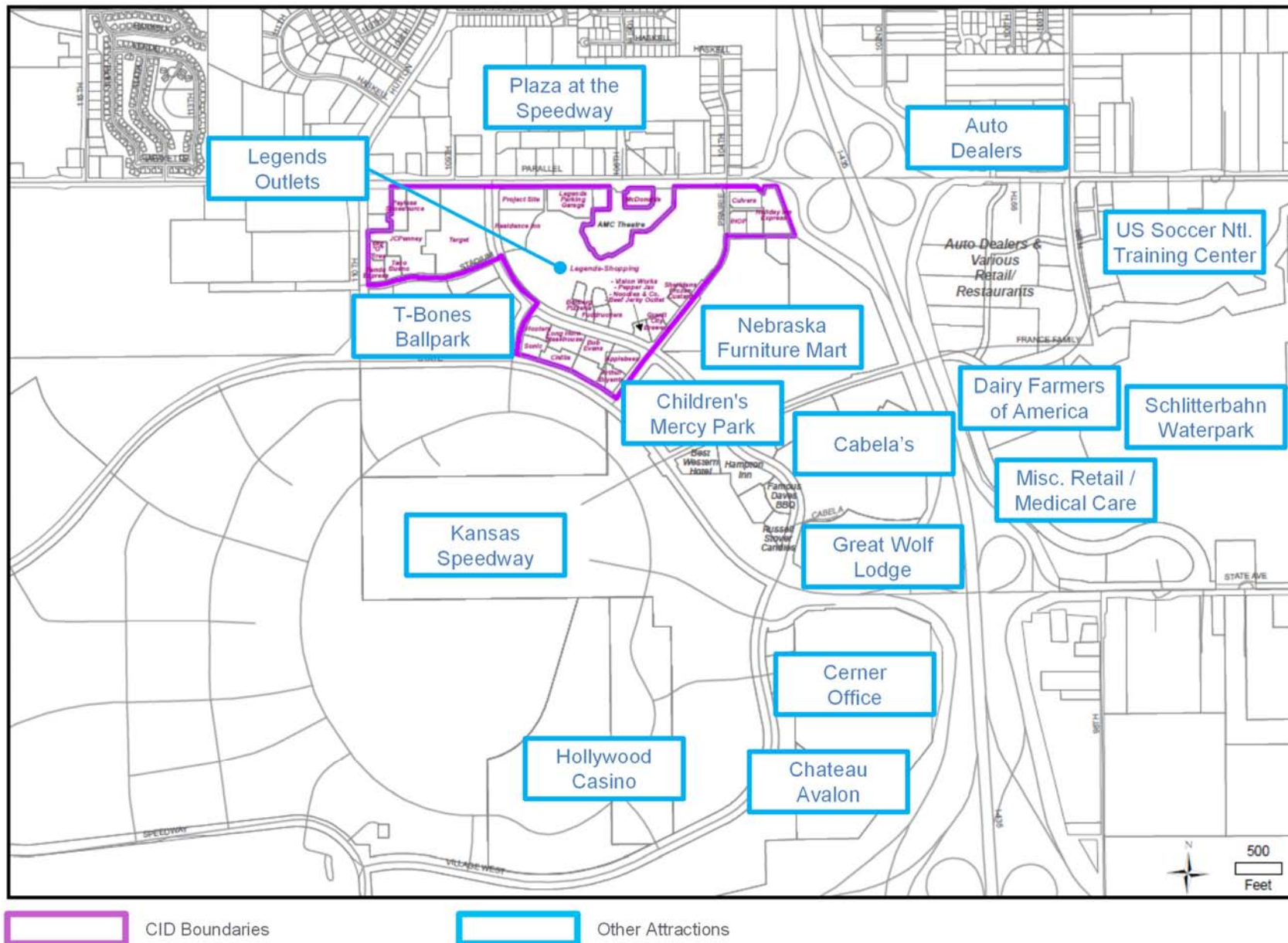
In addition, the Existing CID Retail Development includes 204 hotel rooms and various retail stores and restaurants that include approximately 332,844 square feet of occupied outlots that are owned and operated by various owners and operators, approximately 12,461 square feet of unoccupied outlots and approximately 12,000 square feet of undeveloped outlot space. See “**EXISTING CID RETAIL DEVELOPMENT AND HISTORICAL RETAIL SALES**” herein.

The CID Sales Tax will be imposed on sales of tangible personal property at retail or rendering or furnishing services taxable pursuant to the provisions of the Kansas Retailers Sales Tax Act from properties within the boundaries of the CID including the Existing CID Retail Development.

A site plan showing Village West and the boundaries of the CID is set forth on the following page.

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THE COMMUNITY IMPROVEMENT DISTRICT WITHIN VILLAGE WEST



Legacy Development and Related Entities

Legacy Venture West Development, LLC, a Kansas limited liability company (“**Legacy Development**”), is a developer and manager of retail developments and is an affiliated entity to the Apartments and Garage Developer, West Lawn Developer and Legends Outlets Manager. Legacy Development, headquartered in Kansas City, Missouri, and its affiliates have significant experience developing and managing large shopping centers and retail developments throughout the United States. The company has developed, or is currently developing, approximately 5 million square feet of shopping center and mixed use / retail space around the country. Projects in which Legacy Development and its affiliates have been involved include the following.

<u>Name</u>	<u>Gross Leasable Area</u>	<u>Type</u>	<u>Location</u>
Legends Outlets	700,000	Retail	Kansas City, Kansas
Liberty Commons	325,000	Retail	Liberty, Missouri
Oak Park Crossing East & West	360,000	Retail	Overland Park & Lenexa, Kansas
Olathe Station	620,000	Retail	Olathe, Kansas
One Daytona	300,000	Retail	Daytona Beach, Florida
The Marketplace	275,000	Retail	Council Bluffs, Iowa
The Streets of Brentwood	350,000	Retail	Brentwood, California
Truman’s Marketplace	395,000	Retail	Grandview, Missouri
Ward Parkway Center	550,000	Retail	Kansas City, Missouri
Willits Town Center	400,000	Retail	Basalt, Colorado
Bellmont Promenade	170,000	Retail & Mixed Use	Shawnee, Kansas
Shoppes at One Daytona	75,000		Daytona, Florida

Current Retail Operations in CID

The Revenue Study includes the table on the following pages that describes the existing retail, restaurant, hotel and entertainment space and operations that make up the Existing CID Retail Development. The table shows the current retail operator, square footage of the retail space, indication of location of the retail space within or outside of Legends Outlets, the status of the retail space as open or under construction and the opening or projected opening date. Highlighted retail operators in the table below are located within Legends Outlets. Retail and hotel spaces located outside the Legends Outlets shopping center are owned and managed by various owners / operators and use by such operators may be subject to leases.

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CURRENT RETAIL OPERATIONS IN CID

(Highlighted retail operators are located within Legends Outlets)

RETAIL OPERATOR	SQUARE FOOTAGE	INSIDE LEGENDS OUTLETS*	STATUS	OPEN OR PROJECTED OPENING DATE
Anchors				
J C Penney	99,186	No	Open	Oct-06
Target	125,000	No	Open	Oct-06
H&M	25,025	Yes	Open	Nov-17
Charming Charlie	21,975	Yes	Open	Nov-11
Off Broadway Shoe Warehouse	21,554	Yes	Open	Apr-06
HomeGoods	20,150	Yes	Near Open	May-18
TJ Maxx	30,271	Yes	Open	Oct-05
<i>Subtotal</i>	<i>343,161</i>			
Large Format Retail				
Books-A-Million	16,846	Yes	Open	Apr-06
Cavender's	16,207	Yes	Open	Feb-06
F21 RED	16,045	Yes	Open	Mar-07
The Gap	12,730	Yes	Open	Jun-06
Nike	15,286	Yes	Open	May-06
Old Navy	17,266	Yes	Open	Jul-06
Under Armour Factory House	12,000	Yes	Open	Jul-11
Polo / Ralph Lauren	16,979	Yes	Open	Oct-11
<i>Subtotal</i>	<i>123,359</i>			
Small Format Retail				
Adidas	6,798	Yes	Open	Apr-06
Aeropostale Inc (store # 772)	3,384	Yes	Open	Nov-05
American Eagle Outfitters (AE West)	5,481	Yes	Open	Apr-06
Ann Taylor	6,005	Yes	Open	Oct-06
Auntie Ann's (Bacon Pretzels Inc)	616	Yes	Open	Sep-07
Banana Republic (the Gap, Inc)	8,184	Yes	Open	Jul-06
Bath & Body Works	3,164	Yes	Open	Apr-14
Beauty Brands	6,360	Yes	Open	Apr-06
Brooks Brothers				
(Retail Band Alliance)	5,182	Yes	Open	Apr-06
Carter's	4,500	Yes	Open	Jul-06
Chico's	3,145	Yes	Open	Jun-11
Christopher & Banks	3,748	Yes	Open	Sep-10
Claire's #5351	1,676	Yes	Open	Dec-05
Coach	8,337	Yes	Open	May-14
Converse	2,887	Yes	Open	Apr-06
Cosmetics Co. Store				
(ELC Beauty LLC)	1,873	Yes	Open	May-06
Crazy 8	2,249	Yes	Open	Jul-12
Eddie Bauer	3,964	Yes	Open	Sep-14
Envy Nails	2,798	No	Open	Jul-14
Express Factory Outlet	7,061	Yes	Open	Mar-15
Finish Line (store # 739)	4,529	Yes	Open	Nov-05
Five & Dime	3,603	Yes	Open	Mar-13
Francesca's	1,960	Yes	Open	May-16
Game Stop	1,283	Yes	Open	Dec-05
GNC (General Nutrition Corp)	1,198	Yes	Open	Feb-07
Gymboree	2,203	Yes	Open	Apr-08

RETAIL OPERATOR	SQUARE FOOTAGE	INSIDE LEGENDS OUTLETS	STATUS	OPEN OR PROJECTED OPENING DATE
Small Format Retail - continued				
Haggar Clothing Co.	2,479	Yes	Open	May-14
Helzberg Diamonds	4,192	Yes	Open	Apr-06
Hot Topic	1,800	Yes	Open	Nov-05
J Crew Factory	6,026	Yes	Open	Aug-11
Jockey	3,432	Yes	Open	Apr-06
Journeys	2,340	Yes	Open	May-18
Justice	3,514	Yes	Open	Mar-07
Kate Spade	3,550	Yes	Open	Mar-18
Kay Jewelers (formerly Ultra Diamonds)	1,564	Yes	Open	Jun-06
KC Soda Co.	1,328	Yes	Open	Jun-15
Lane Bryant	5,502	Yes	Open	May-07
Legend Nails	2,561	Yes	Under Construction	Jul-18
Levi Outlet	4,630	Yes	Open	Dec-07
Lids	1,368	Yes	Open	May-14
LOFT Outlet	6,067	Yes	Open	Oct-06
Maurice's	4,625	Yes	Open	Apr-06
Michael Kors	5,400	Yes	Under Construction	Jun-18
Motherhood Maternity	1,463	Yes	Open	Sep-06
Nails So Happy	1,511	Yes	Open	Jun-06
NTB	9,000	No	Open	Sep-08
Payless Shoesource	3,172	No	Open	Apr-08
Perfume Palace	2,613	Yes	Open	Dec-15
Rocky Mountain Chocolate Factory	972	Yes	Open	Mar-06
Soma Intimates	2,408	Yes	Open	Jul-11
Sportibles	2,895	Yes	Open	Mar-17
Sprint	2,992	Yes	Open	Apr-08
Topsy's	4,235	Yes	Open	Mar-17
Sunglass Hut	1,253	Yes	Open	Nov-05
The Buckle	5,174	Yes	Open	Jul-06
Tommy Hilfiger	6,476	Yes	Open	Oct-16
Sweet Charlie's	2,995	Yes	Under Construction	Jun-18
Uniform Destination	4,031	Yes	Open	Jan-18
US Armed Forces	2,917	Yes	Open	Oct-07
Vans Off the Wall	4,002	Yes	Open	Mar-17
Verizon	4,200	No	Open	May-15
Victoria's Secret	8,472	Yes	Open	Oct-16
Vision Works	2,800	No	Open	Jul-16
Wilson's Leather	3,993	Yes	Open	Jun-06
Woody's Automotive Group	507	Yes	Open	May-14
Zales	2,002	Yes	Open	Sep-06
<i>Subtotal</i>	<i>242,649</i>			
F & B/Entertainment				
Applebee's	5,224	No	Open	Dec-03
Arthur Byrants	7,468	No	Open	Jun-04
Bob Evan's	5,140	No	Open	Jun-04
Borberg Pizzeria Inc	4,219	No	Open	Jun-12
Chilis	5,876	No	Open	Apr-07
Chipotle Mexican Grill	1,995	Yes	Open	Sep-06
Cold Stone Creamery	1,411	Yes	Open	Apr-06
Culver's	4,822	No	Open	Dec-06

RETAIL OPERATOR	SQUARE FOOTAGE	INSIDE LEGENDS OUTLETS	STATUS	OPEN OR PROJECTED OPENING DATE
F & B/Entertainment- continued				
Dapper Doughnut	507	Yes	Under Construction	Jun-18
Dave & Busters	46,953	Yes	Open	Nov-05
Five Guys	2,981	Yes	Open	Sep-09
Fuddruckers	6,740	No	Open	Sep-15
Granite City	8,940	No	Open	Feb-06
Hooters of Kansas Speedway	4,050	No	Open	Nov-05
International House of Pancakes (IHOP)	5,400	No	Open	Jul-05
Jazz A Louisiana Kitchen	7,153	Yes	Open	Jan-07
Jose Pepper's Border Grill & Cantina	6,200	Yes	Open	Nov-14
Longhorn Steak House	5,992	No	Open	Apr-04
McDonalds	5,500	No	Open	Sep-05
Noodles and Company	2,700	No	Open	Aug-16
Panda Express	4,500	No	Open	Oct-08
Panera Bread	4,404	Yes	Open	Aug-06
Pepperjax	2,400	No	Open	Sep-16
Pizza Studio	2,542	Yes	Open	Jul-14
Sheridan's Ice Cream	2,195	No	Open	Oct-04
Sonic Drive In	1,362	No	Open	Mar-04
STIX	8,303	Yes	Open	Mar-06
Sweet Frog	1,588	Yes	Open	Apr-14
Taco Bueno	2,560	No	Open	Jul-07
Beef Jerky Outlet	1,600	No	Open	Mar-17
Yard House	9,638	Yes	Open	Apr-06
Subtotal	180,363			
Total Occupied/Leased Space	889,532			
Total Vacant Legends Outlets Tenant Space	39,695			
Vacant / Undeveloped Space Outside Legends Outlots				
Lot 2 (South of Bob Evans)	6,461	No	Constructed	
Lot 21 (Previously Amini's)	6,000	No	Constructed	
New Pad 1	6,000	No	Undeveloped	
New Pad 2	6,000	No	Undeveloped	
Total Vacant / Undeveloped Space Outside Legends Outlots	24,461			
Lodging (rooms)	ROOMS			
Holiday Inn Express	96	No	Open	Jul-05
Residence Inn	108	No	Open	Jan-16
Total Lodging	204			

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Other Development Within Village West Outside the CID

Village West includes major retail, restaurant, hotel, entertainment, and office and commercial operations that are adjacent to and in some instances may drive the sales and other economic activity within the CID as described below. **The CID Sales Tax is not imposed on sales of tangible personal property at retail or rendering or furnishing services taxable pursuant to the provisions of the Kansas Retailers Sales Tax Act from the properties described below because such retail operations are not within the boundaries of the CID.**

Legends Theater. An AMC Theater, known as the Legends Theater, opened in Village West in 2005. The Legends Theater was in the Original CID but was not included in the boundaries of the CID. The Legends Theater is approximately 88,270 square feet and includes 14-screens and approximately 3,000 seats.

Nebraska Furniture Mart. In 2003, NFM of Kansas, Inc., a subsidiary of Nebraska Furniture Mart, Inc. which is substantially owned and controlled by Berkshire Hathaway Inc. (NYSE: BRK.A) opened for business a Nebraska Furniture Mart which is currently an approximately 1,075,000 square foot facility which includes approximately 450,000 square feet of retail space and 675,000 square feet of warehouse space on-site.

Cabela's. In 2002, Cabela's Wholesale, Inc., as successor in interest to Cabela's Retail, Inc., a subsidiary of Cabela's Incorporated (NYSE: CAB), opened the Cabela's store, an approximately 188,000 square foot retail facility, that specializes in selling hunting, fishing, camping and related outdoor merchandise. Cabela's Incorporated, headquartered in Sidney, Nebraska, is a direct marketer and specialty retailer of hunting, fishing, camping and related outdoor merchandise.

Great Wolf Lodge. Great Wolf Lodge of Kansas City opened in 2003 and has approximately 281 guest suites. Great Wolf Lodge includes an approximately 40,000 square-foot indoor waterpark. The resort also includes the Camp Critter Bar & Grille, the Bear Claw Café ice cream shop and confectionery, a full-service Aveda concept spa, the Northern Lights game arcade, MagiQuest, Mini Golf, the Buckhorn Exchange gift shop and meeting rooms. Great Wolf Lodge of Kansas City is owned by Great Wolf Resorts, Inc. (NYSE: WOLF).

Children's Mercy Park. Sporting Kansas City, the region's only major league professional soccer club, was one of 10 charter members of Major League Soccer (MLS) that were announced in 1995. A new soccer specific stadium, Children's Mercy Park (formerly Sporting Park), began construction in 2010 and opened in 2011. The soccer stadium seats 18,467 for soccer and 25,000 for concerts. Sporting Kansas City, a Major League Soccer team owned by OnGoal, LLC, a Kansas limited liability company.

US Soccer National Training Center (NTC). OnGoal, LLC developed and constructed a major multi-sport athletic complex that includes the following components: (1) National Training Center - an indoor and outdoor coaching and training and practice facility for multiple sports, including soccer, football, lacrosse, and rugby, which facility shall be utilized for the U.S. Men's and Women's National Soccer Teams and other international teams, and (2) Tournament Fields - a tournament soccer fields complex. The NTC was completed in 2018, and the Tournament Fields in 2017. These facilities all are located adjacent to the CID's entertainment and shopping areas and the Schlitterbahn Waterpark. In addition to hosting annual training activities of the US National Soccer Team, facilities within the NTC will be utilized for certain other Olympic sporting activities, certain national and regional tournament use and as a championship venue for youth soccer tournaments. The development houses the elite athlete training and performance analytics campus and national youth soccer development programs. The facility

includes approximately 100,000 square feet for an indoor facility with a practice field, eight lighted professional fields and twelve youth fields.

Schlitterbahn Waterpark. The existing Schlitterbahn Waterpark opened in 2009 and is the region's largest water park. Schlitterbahn is a leader among the nation's water park operators and fabricators.

Kansas Speedway. The Kansas Speedway project is a 1.5-mile tri-oval configured auto race track facility located on approximately 1,100 acres of land. As one of the region's largest sports venues, it has its own established base of support. The track hosts NASCAR Sprint Cup Series night races, as well as a NASCAR Camping World Truck Series race. The speedway also hosts a race in the Chase for the NASCAR Sprint Cup Series for the Hollywood Casino 400, as well as the Kansas Lottery 300. The track can currently accommodate up to 100,000 people. Although these major events generate the vast majority of race track attendance, the facility has many revenue generating events also scheduled on its calendar and is a year round attraction.

Hollywood Casino The owners of the Kansas Speedway have partnered with Penn National Gaming in a development the east and south of the track, that includes 100,000 square foot casino and 28,000 square feet of food and entertainment amenities. That phase opened in February 2012. Future phases could include a 250-room Hollywood hotel with 18,000 square feet of meeting space.

Community America Ballpark. Home to the Kansas City T-Bones baseball team, the Community America Ballpark has been operational since 2003. The facility has a capacity of just fewer than 10,400 which includes suites, fixed seats, picnic or berm seating, and standing areas. Fixed seats total 6,600. Stadium capacity was increased in 2008 to accommodate Sporting Kansas City during the years they played in this stadium. The Issuer purchased the stadium in February of 2014.

Cerner Office Complex. The Cerner Corporation has created a major office complex within the Village West Property. With approximately 660,000 square feet of office space located on approximately 58 acres of land, the Village West "Continuous Campus" houses 4,000 jobs. Cerner is a major employer in the Kansas City metropolitan area with some 24,000 employees worldwide. Cerner's business interests focus on information technology solutions for the healthcare industry (HIT), healthcare devices, and the provision of related services. The complex opened in phases, with the first of two eight-story towers opening in 2013, and the second opening near the end of 2014.

Legends Auto Plaza. An auto mall is currently in development that would include seven dealerships (including the recently opened Victory Ford, Dodge/Jeep/Chrysler/RAM, and Fenton Nissan dealership) at a location just east of I-435, very near the Schlitterbahn Waterpark.

Frontier Justice Gun Range. A 33,000 square foot, \$4.7 million dollar gun range opened in late 2017 in the same area as the auto mall.

Dairy Farmers of America. In June 2017, the Dairy Farmers of America opened a \$34 million headquarters north of I-70 and east of I-435, just east of the Village West area. The Dairy Farmers of America is the area's largest private employer in terms of revenue (\$13.5 billion in 2016). Completed in early 2017, the new headquarters is a three-story, 125,000 square foot project that brought approximately 325 jobs to this area.

Commercial and Office Development. The American Royal is in the planning process for a move to the Village West Area. A specified time frame has not yet been established. There are plans to build a 40,000 square foot, \$11 million medical office building on a 5.2 acre site adjacent to the Dairy Farmers of America. The Issuer has also issued a solicitation for development firms to submit proposals for a convention center with 30,000 to 50,000 square feet of meeting space with an adjacent 225 room hotel. Other uses will most likely include additional retail, restaurants, office, and hotel product, although the nature and size of these developments have not been determined at this time.

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Historical Retail Sales and Pro Forma Revenues

The Revenue Study includes historical information provided by the Issuer on taxable sales generated by the Existing CID Retail Development on a June 1 to May 30 time frame for the periods shown. The column entitled **“Pro Forma Revenues”** calculates the CID Sales Tax revenues that would have been generated based on such taxable sales had the CID Sales Tax been imposed and in effect during such periods, net of the State’s 2% collection fee (the **“State Collection Fee”**) and the Issuer’s 1% administrative fee (the **“Issuer Administrative Fee”**) and reflects revenues lagged by approximately 60 days behind the period in which they are actually generated. The growth in taxable sales from period to period is in part due to new development. The columns entitled **“Taxable Sales Per Sq. Ft.”** reflect changes in retail activity for categories of retailers from period to period. The column entitled **“Total Taxable Sales Per Sq. Ft.”** include sales by retailers within the Existing CID Retail Development in addition to taxable sales of large format, small format and food and beverage retailers shown in the three adjacent columns.

Pro Forma Period	Total Taxable Sales	Pro Forma Revenues¹	Taxable Sales Per Sq. Ft. Large Format	Taxable Sales Per Sq. Ft. Small Format	Taxable Sales Per Sq. Ft. Food & Beverage	Total Taxable Sales Per Sq. Ft.²
2007-08	\$205,394,425	\$1,992,000	\$ 268	\$ 317	\$ 300	\$ 247
2008-09	201,522,241	1,955,000	246	299	287	246
2009-10	200,181,032	1,942,000	250	310	273	244
2010-11	204,804,342	1,987,000	284	328	269	248
2011-12	232,537,798	2,256,000	344	356	297	268
2012-13	242,854,067	2,356,000	368	364	294	269
2013-14	244,157,535	2,368,000	378	364	301	271
2014-15	254,601,227	2,470,000	365	381	331	285
2015-16	257,697,824	2,500,000	359	369	356	295
2016-17	258,354,405	2,506,000	361	374	335	293
2017-18*	259,184,446	2,514,000	359	397	343	306

Source: Revenue Study.

¹ Net of the 2% State Collection Fee and 1% Issuer Administrative Fee.

² Total Taxable Sales per sq. ft. is a weighted average value which includes all retail categories (anchor, large format, small format, and food and beverage). The values of sales per square feet for anchor tenants is not provided due to disclosure rules relating to the confidentiality of sales tax information under State law.

* Estimate from Revenue Study.

Projected Revenues

The Revenue Study includes a projection of the total Revenues projected to be generated within the CID and available to pay debt service on the Series 2018 Turbo Bonds. The projection period for the Revenue Study is from June 1, 2018 through May 30, 2040 and projects tax distributions based on the projected total taxable sales collected lagged by approximately 60 days behind the period in which they are actually generated. The projection year is a June 1 to May 30 time frame. The Revenues projected are net of the State Collection Fee and the Issuer Administrative Fee. The Revenue Study includes projections based on a low, moderate, and high scenario as described in the Revenue Study. A copy of the Revenue Study is attached hereto as **Appendix A**. See also “**REVENUE STUDY**” herein.

Projection Year	Low Scenario		Moderate Scenario		High Scenario	
	Taxable Sales (000's)	CID Sales Taxes	Taxable Sales (000's)	CID Sales Taxes	Taxable Sales (000's)	CID Sales Taxes
2018-19	\$ 270,790	\$ 2,619,000	\$ 273,110	\$ 2,642,000	\$ 275,430	\$ 2,664,000
2019-20	264,730	2,561,000	277,210	2,681,000	281,940	2,727,000
2020-21	268,780	2,602,000	279,980	2,711,000	287,180	2,780,000
2021-22	270,130	2,615,000	282,780	2,738,000	292,520	2,832,000
2022-23	271,480	2,628,000	285,610	2,765,000	297,960	2,885,000
2023-24	272,830	2,641,000	288,470	2,793,000	303,490	2,938,000
2024-25	274,200	2,655,000	291,350	2,821,000	309,130	2,993,000
2025-26	275,570	2,668,000	294,260	2,849,000	314,880	3,049,000
2026-27	276,950	2,681,000	297,210	2,877,000	320,730	3,105,000
2027-28	278,330	2,695,000	300,180	2,906,000	326,690	3,163,000
2028-29	279,720	2,708,000	303,180	2,935,000	332,760	3,222,000
2029-30	281,120	2,722,000	306,210	2,965,000	338,950	3,282,000
2030-31	282,530	2,735,000	309,270	2,994,000	345,250	3,343,000
2031-32	283,940	2,749,000	312,370	3,024,000	351,660	3,405,000
2032-33	285,360	2,763,000	315,490	3,054,000	358,200	3,468,000
2033-34	286,790	2,777,000	318,640	3,085,000	364,860	3,532,000
2034-35	288,220	2,790,000	321,830	3,116,000	371,640	3,598,000
2035-36	289,660	2,804,000	325,050	3,147,000	378,540	3,665,000
2036-37	291,110	2,818,000	328,300	3,178,000	385,580	3,733,000
2037-38	292,570	2,832,000	331,580	3,210,000	392,740	3,802,000
2038-39	294,030	2,847,000	334,900	3,242,000	400,040	3,873,000
2039-40	295,500	2,861,000	338,250	3,275,000	407,480	3,945,000
TOTAL		\$ 59,771,000		\$ 65,008,000		\$ 72,004,000

Current and Projected Largest CID Sales Taxpayers and Terms of Leases

The Revenue Study summarizes the projected contribution of Revenues by taxpayer as shown in the table below. Due to the confidentiality of sales tax information under State law, the Issuer is not permitted to disclose the aggregate Revenues from the retailers operating within the CID unless they are generated by five or more taxpayers. See the discussion herein under the caption “**TAX LEVY, REPORTING AND COLLECTION – Confidentiality of Tax Information.**” See **Appendix A - REVENUE STUDY – “Taxable Sales and CID Sales Tax Revenue Projections.”**

The table below also shows the current lease expiration or renewal option ranges for the taxpayers within Legends Outlets by groups of five or more taxpayers presented alphabetically and the

weighted average lease term for the two groups of ten highest taxpayers. The information herein and in the table on the following pages relating to various lease agreements relating to the Legends Outlets was provided by the West Lawn Developer. The majority of the leases, with the exception of any Gross Leases, provide that the tenants shall pay a share of real estate taxes and assessments levied against the shopping center and the leased premises pursuant to specific formulas set forth in each lease (typically based on a ratio of the floor area of the leased premises versus the floor area of the shopping center). The leases also require the tenants to maintain varying levels of public liability and property damage insurance. Certain tenants under specific conditions (as such conditions are set forth in the applicable lease) may assign their interests in their leases without the consent of the West Lawn Developer. The leases summarized below also contain a requirement that the tenant open for business and be fully stocked, for at least one day within a certain period of the opening date specified in the lease. The leases also contain provisions allowing the landlord to terminate the lease if the tenant ceases to operate (“go dark”) for a certain period of time.

No leasing information is shown or is available for taxpayers that are not located in Legends Outlets.

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CURRENT AND PROJECTED LARGEST CID SALES TAX TAXPAYERS AND TERMS OF LEASES

	2017			Projected 2021	
	Tenant	% of Total Sales Tax Revenue	Lease Expiration or Renewal Option Date Range	Tenant	% of Total Sales Tax Revenue
5 Largest Taxpayers					
Next 5 Largest Taxpayers	JC Penney*		Not Applicable	H&M	
	Nike			JC Penney*	
	Off Broadway Shoes		Not Applicable	Nike	
	Target*			Target*	
	TJ Maxx			TJ Maxx	
		28.2%	Current Lease Terms range from 3 to 8 years and the weighted average Lease Term is 4.30 years**		26.0%
	Coach			Dave & Busters	
	Dave & Busters			HomeGoods	
	The Gap			Off Broadway Shoes	
	Old Navy			Old Navy	
	Under Armour			Under Armour	
		11.8%	Current Lease Terms range from 3 to 9 years and the weighted average Lease Term is 5.05 years**		15.5%
Total Top Ten Taxpayers		40.0%			41.5%
Remaining Taxpayers		60.0%			58.5%
• Major Anchors			Current Lease Terms range from 3 to 10 years		
• Large Format Retail			Current Lease Terms range from 3 to 10 years		
• Small Format Retail			Current Lease Terms range from 3 to 10 years		
• F & B/Entertainment/ Outparcel			Current Lease Terms range from 2 to 10 years		
Total		100.0%			

Source: Revenue Study.

*These retail operators are not located in Legends Outlets and information regarding leasing or franchise of these properties, if any, is not available.

**Lease term information was provided by the West Lawn Developer. Lease term information for the five largest taxpayers does not include Target or JC Penney.

Competition

The Revenue Study includes a discussion, under the heading **“REGIONAL AND LOCAL RETAIL CONDITION,”** of retail developments that are competitors of the Existing CID Retail Development and under the heading **“INDUSTRY CONTEXT AFFECTING THE ANALYSIS – E-Commerce Retail Sales”** of competition from internet based retail sales. See **APPENDIX A – “REVENUE STUDY.”**

THE PROJECTS, DEVELOPERS AND DEVELOPMENT AGREEMENTS

Legends Apartments and Garage Project

The **“Legends Apartments and Garage Project”** includes (1) the development and construction of a first-class luxury apartment building consisting of approximately 265 total units, and (2) a three-level structured parking facility with approximately 615 total parking spaces and a vehicular bridge connecting the parking facility with an existing adjacent parking structure, including land acquisition, site work, signage, sidewalks, streetscapes, landscaping, and other related infrastructure and improvements on 2.5 acres of real property generally located at 1879 Village West Parkway, Kansas City, Kansas. The Legends Apartments and Garage Project has an estimated cost of \$65 million and is expected to be completed in 2020.

The Apartments and Garage Developer is Legacy KCK Westside Venture, LLC, a Kansas limited liability company created for the purpose of purchasing and developing the Legends Apartments and Garage Project, and is a related entity to the West Lawn Developer and Legacy Development. The Issuer and the Apartments and Garage Developer have entered into the Development Agreement for Legends Apartments and Garage dated November 20, 2015, as modified by that certain letter dated February 1, 2017, from Douglas G. Bach, County Administrator of the UG, to Dan Lowe of Legacy Development, the First Amendment to Development Agreements for Legends Apartment and Garage, dated January 28, 2018, and the Second Amendment to Development Agreements for Legends Apartment and Garage, dated May 17, 2018 (collectively, the **“Apartments and Garage Development Agreement”**) pursuant to which the Apartments and Garage Developer has agreed to develop, construct, complete and operate the Legends Apartments and Garage Project. The Apartments and Garage Development Agreement provides for the Issuer to provide up to \$17.5 million in net funding of costs of the project from the proceeds of the Series 2018 Turbo Bonds. The agreement also provides for certain industrial revenue bond financing for the Project, a sales tax exemption on construction materials and payments in lieu of real estate taxes. The agreement includes provisions relating to the design, financing, construction and operation of the project and includes default provisions and remedies.

West Lawn Project

The **“West Lawn Project”** includes the design, development and construction of new retail improvements and amenities at the Legends Outlets, including hardscape and landscape replacement, video board installation, shade structures, signage, façade improvement, escalator repair and enclosures and new “legends” monuments. The West Lawn Project has an estimated cost of \$28 million and is expected to be completed in 2018.

The Issuer and the West Lawn Developer have entered into the Development Agreement for Legends West Lawn, dated as of February 8, 2018 (the **“West Lawn Development Agreement”**) pursuant to which the West Lawn Developer has agreed to develop, construct, complete and operate the West Lawn Project. The West Lawn Development Agreement provides for the Issuer to provide up to \$9.0 million in net funding of costs of the project from the proceeds of the Series 2018 Turbo Bonds. The agreement also provides for certain industrial revenue bond financing for the Project, providing an

exemption on sales taxes for construction materials, equipment and furnishings. The agreement includes provisions relating to the design, financing, construction and operation of the project and includes default provisions and remedies.

Project Funding Holdbacks and Special Mandatory Redemption Provisions

The Issuer and each Developer have agreed to certain provisions in the respective Development Agreements regarding the holdback of disbursements from the Project Fund for the funding of costs of each Project until certain conditions are satisfied.

The Issuer and the Apartments and Garage Developer have agreed that: (i) an amount equal to \$500,000 may be withheld from the final distribution of CID Project Costs to the Apartments and Garage Developer if it has failed to complete certain sidewalk and curb improvements as required by the Apartments and Garage Development Agreement, and (ii) an amount equal to \$875,000 may be withheld from the final distribution of CID Project Costs to the Apartments and Garage Developer if it fails to demonstrate best efforts to meet its contractual goals for local, minority and women's participation in the construction and completion of the “garage portion” of the Legends Apartments and Garage Project. The Apartments and Garage Developer is contractually obligated to substantially complete the project (including the “garage portion” and the apartments) by December 31, 2020. If the Apartments and Garage Developer is not able to demonstrate that it has completed the sidewalk and curb improvements described in (i) above, and that it has used best efforts to meet the participation goals for the garage portion of the Project as described in (ii) above, the moneys described in (i) and/or (ii) above shall remain in the Project Fund established with respect to the Series 2018 Bonds. Any money remaining in the Project Fund on October 1, 2021 shall automatically be transferred to the Debt Service Fund and applied to redeem the Series 2018 Bonds on December 1, 2021.

The Issuer and the West Lawn Developer have agreed that an amount equal to \$450,000 may be withheld from the final distribution of CID Project Costs to the West Lawn Developer if it fails to demonstrate best efforts to meet its contractual goals for local, minority and women's participation in the construction and completion of the West Lawn Project. The West Lawn Developer is contractually obligated to substantially complete the West Lawn Project by December 31, 2018. If West Lawn Developer is not able to demonstrate that it has used best efforts to meet the participation goals for the Project, then \$450,000 shall remain in the Project Fund established with respect to the Series 2018 Bonds. Any money remaining in said Project Fund on October 1, 2021 shall automatically be transferred to the Debt Service Fund and applied to redeem the Series 2018 Bonds on December 1, 2021.

Each of the Developers and the Issuer expect that the conditions described in the preceding two paragraphs will be satisfied by the respective Developer and that the moneys in the Project Fund will be fully disbursed pursuant to the Indenture and the respective Development Agreement by October 1, 2021. The Issuer and affiliates of the Developers have worked together on numerous development projects, including the original development of the Legends Outlets, with similar local, minority and women-owned business goals within their respective development agreements. To date, no such provisions have caused a default by the Developers, or their affiliates, of any of those development agreements. The Issuer and the Developer are currently unaware of any issues that may prevent the demonstration of best efforts to meet such goals nor any issues that will require holdback of any disbursements from the Project Fund.

See **“BONDOWNERS’ RISKS – Early Redemption.”**

REVENUE STUDY

The Revenue Study has been prepared by GAI Consultants, Inc., Orlando, Florida (the “**Revenue Consultant**”). A copy of the Revenue Study is attached hereto as **Appendix A**. The projected annual Revenues contained in the Revenue Study and included or reflected in this Official Statement are based on various assumptions concerning facts and events over which the Issuer has no control. The preparer of the Revenue Study has prepared revenue studies for other retail projects in which projected revenues were higher than the revenues which were actually realized. *No representation or warranty is or can be made about the amount or timing of any future income, loss, occupancy, valuation, increased assessment or revenues, or that actual results will be consistent with the Revenue Study or with the Revenue projections contained therein.* The information in the Revenue Study is based on various assumptions, estimates and opinions. Certain assumptions in the Revenue Study were provided by the West Lawn Developer, the Apartments and Garage Developer and the Issuer which were not verified. There is no assurance that actual events will correspond with the projections or the assumptions, estimates and opinions on which they are based. The Issuer, the Apartments and Garage Developer, the West Lawn Developer, the Municipal Advisor and the Underwriter make no representation or warranty (express or implied) as to the accuracy or completeness of any financial, technical or statistical data or any estimates, projections, assumptions or expressions of opinion set forth in the Revenue Study.

The Revenue Study is forward-looking and involves certain assumptions and judgments regarding future events. See “**BONDOWNERS’ RISKS – Forward –Looking Statements**” herein. Although the Revenue Study is based on currently available information, it is also based on assumptions about the future state of the national and regional economy and the local real estate markets as well as assumptions about future actions by various parties, which cannot be assured or guaranteed. The Revenue Study is not a prediction or assurance that a certain level of performance will be achieved or that certain events will occur. The actual results will vary from the Revenue Study, and the variations may be material. Prospective purchasers should read the Revenue Study carefully and form their own opinions about the validity and reasonableness of such assumptions. See **Appendix A – REVENUE STUDY**, attached hereto.

Appendix A must be read in its entirety to understand the assumptions upon which the forecasts are based and the qualifications which have been made. There is no assurance that the forecasts will be achieved. Actual future events will vary from the forecasts, and such variances may be material.

TAX LEVY, REPORTING AND COLLECTION

Overview

Debt service on the Series 2018 Turbo Bonds will be payable solely from the Trust Estate, which consists primarily of Revenues and the funds and accounts held pursuant to the Indenture. Revenues consist of the CID Sales Tax revenues received by the Issuer less the 1% Issuer Administrative Fee. See “**SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2018 TURBO BONDS**” herein.

The following discussion includes a description of the statutes (the “**Sales Tax Acts**”) relating to the State’s collection, administration and enforcement of sales tax including the CID Sales Tax. The Sales Tax Acts also authorize a compensating use tax, however, the Issuer’s compensating use tax is not included in the Revenues pledged to the payment of the Series 2018 Turbo Bonds.

Sales Tax

The Kansas sales tax is imposed upon the gross receipts from retail sale of tangible personal property and specified services. Gross receipts subject to tax do not include allowable discounts, rescinded sales where a complete refund is made, and trade-in allowances. Historically, this tax base has changed throughout the years, providing either the exemption or inclusion of certain property items and services. The Kansas sales tax generally applies to three types of transactions: (1) the retail sale, rental or lease of tangible personal property, including the sale or furnishing of utilities; (2) charges for labor services to install, apply, repair, service, alter or maintain tangible personal property; and (3) the sale of admissions to places providing amusement, entertainment or recreation services (collectively, “**Retail Sales**”).

Exemptions

Each Retail Sale is presumed to be taxable, but there are numerous exemptions. Some exemptions are explicitly provided for, while others are the result of exceptions to a definition of a taxable sale or of tangible personal property. Exemptions are granted on the basis of the nature of the product, the type of transaction, or the nature of the entity buying or selling the product. Currently, Kansas exempts prescription drugs from sales tax but imposes the tax on food.

The retail operators operating within the CID, from time to time, engage in transactions that will qualify for exemption. Given the nature of the transactions typically engaged in by establishments such as those operated by the retail operators, among the exemptions likely to be claimed may be the following:

- Sales for purposes of resale;
- Sales to qualifying exempt organizations and to federal and Kansas state or local government agencies and instrumentalities;
- The lease or rental of films, records, tapes or any type of sound or picture transcriptions used by motion picture exhibitors;
- Sales of lottery tickets and shares made as part of a lottery operated by the State of Kansas;
- Sales of drinks containing alcoholic liquor, and that are subject to the Liquor Drink Tax (meals and drinks sold to the public at restaurants are subject to sales tax, as are sales of beer); and
- Sales of meals served without charge or food used in the preparation of meals to employees of any restaurant where meals or drinks are regularly sold to the public if such employees’ duties are related to the furnishing of such meals or drinks.

Sales Tax Reporting and Collection

All retailers with annual sales tax liability over \$4,000 are required to file tax returns reporting their sales activity for the month on or before the 25th of the following month. Tax payments must accompany the tax report, except that, if annual tax liability exceeds \$40,000, the tax for the first 15 days of the month must be paid on or before the 25th day of that month.

Deposit and Transfer of Sales Tax Revenues

Any county or city imposing a retailers’ sales tax is prohibited from administering or collecting the tax locally, and is required to utilize the services of the State Department of Revenue to administer, enforce and collect the tax. The Department of Revenue collects the local tax in the same manner

provided for the collection of the State retailers' sales tax. All moneys collected by the Department of Revenue for local sales taxes are credited to funds established in the State Treasury. Except in limited circumstances, all local retailers' sales tax revenues collected within any county or city are apportioned and remitted at least quarterly by the State Treasurer to the Treasurer of a county or city.

Confidentiality of Sales Tax Information

Under Kansas law, all information received by the State from returns filed under the Sales Tax Acts is confidential. It is unlawful to make a disclosure of taxpayer information except pursuant to a proper court order or a governmental exchange of information, and any person receiving tax information from the State is subject to the same confidentiality restrictions as apply to the State.

Notwithstanding these restrictions, the State is authorized to provide monthly reports upon the request of a city or county clerk or treasurer of any city or county levying a local retailer's sales tax. The report may identify each retailer having a place of business in the taxing city or county, and the amount of tax remitted by each retailer during the prior month, as well as identifying each business location maintained by a retailer within such city or county. The information so received by a city or county remains confidential, and an unauthorized disclosure may be prosecuted as a class A misdemeanor and may lead to dismissal from office of the disclosing officer or employee. However, the Kansas Attorney General has opined that information from such reports that is further manipulated by the city or county may no longer be considered the information that was contained in the confidential reports and may not be subject to limitations on disclosure.

Moreover, in connection with the CID Sales Tax, upon request of the Issuer, the debt service on which is paid from the CID Sales Tax, the State is required to provide copies of all retailers' sales and use and tax returns to the bond trustee or paying agent of the issuer within 15 days of receipt by the Director of the Department of Revenue. The bond trustee or paying agent is required to maintain the returns and return information confidential.

Enforcement, Penalties and Interest

Penalty and interest amounts paid pursuant to the Sales Tax Act are not included in tax revenues. Taxes remaining unreported or unpaid after the due date accrue a penalty equal to 1% of the unpaid balance for each month or fraction of a month that the failure to file a return or pay the tax continues, not to exceed 24% in the aggregate. If a filed return is subject to a field audit, any unpaid tax amount assessed will accrue a penalty of 1% per month, but not to exceed 10% of the unpaid tax. However, if it is determined that the taxpayer made no reasonable attempt to comply with the tax law, the penalty will be 25% for taxes due. If there is a fraudulent intent to evade any tax, the penalty added will be 50% of the taxes due, imposed in addition to any other applicable penalty. A fine of \$500 to \$10,000 may also be imposed in addition to all other penalties where a person is convicted of other tax law violations.

Interest accrues on unpaid sales taxes, at a rate of 1% plus the federal tax underpayment rate in effect on July 1 of the preceding year (as determined under Internal Revenue Code section 6621). When computed monthly, the interest rate is 1/12 of the annual rate.

Sales Tax Rates

The State imposes a uniform sales tax State-wide and the rate currently in effect is 6.50% of the gross receipts from taxable sales. In addition, local governments are authorized to impose uniform sales taxes throughout their jurisdiction for general purposes and earmarked taxes for certain specified purposes such as for the purpose of construction or remodeling of a courthouse, jail, law enforcement facility or

other county administrative facility or the provision of health care services. Also, under Kansas law there are a number of special purposes districts such as the CID that are authorized to be created and impose earmarked sales taxes for their purposes such as the CID Sales Tax. The sales tax rates currently in effect throughout the Issuer range from 9.125% to 11.125%. Currently, the total sales tax rate in effect within the boundaries of the CID, including the 1.0% CID Sales Tax, is 10.725% and the components of such rate are set forth below:

6.50%	State of Kansas Tax
1.0%	CID Sales Tax
1.0%	Wyandotte County Tax
1.0%	Kansas City, Kansas Tax
0.6%	Legends Transportation Development District Tax
0.375%	Public Safety/Infrastructure Tax*
0.25%	Emergency Medical Services Tax

*Expires in 2020 unless extended by voter approval.

Sales tax rates are subject to change from time to time pursuant to the provisions of applicable law. For a discussion of restrictions related to changes to the rate of or repeal of the CID Sales Tax, see **“SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2018 TURBO BONDS – Special Indenture Covenants and State Law Restrictions.”**

CID Sales Tax

The CID Act provides that the CID Sales Tax will be administered and collected by the State in the same manner as other sales taxes in the State. The CID Sales Tax commenced on April 1, 2018 and will expire on March 31, 2040. The CID Act provides that revenues collected from the CID Sales Tax are subject to a 2% State Collection Fee for administration and enforcement of the tax and that the net revenues are credited to the CID Fund which is established in the State treasury. All moneys in the CID Fund are required to be remitted at least quarterly by the State treasurer, on instruction from the secretary of revenue, to the treasurers of those municipalities which are qualified to receive disbursements from such fund for the amount collected within such municipality.

SUMMARY OF BOND STRUCTURING ASSUMPTIONS

Introduction

The following discussion prepared by the Underwriter describes the assumptions used to calculate the projected Turbo Redemptions and the Weighted Average Life for the Series 2018 Turbo Bonds (the **“Structuring Assumptions”**). The Structuring Assumptions for the Series 2018 Turbo Bonds as described below were applied to the Revenue Study’s Moderate, High and Low Scenario projections of Revenues and a scenario that calculates the breakeven level annual decline percentage to the Revenue Study’s Moderate 2019 projected revenues. For sensitivity analyses which evaluate the impact of different levels of Revenues on Turbo Redemptions, see the subheadings under this caption **“Projected Turbo Redemptions”** and **“Initial Projected Weighted Average Lives.”**

Structuring Assumptions*

General. The Structuring Assumptions described under this heading were prepared by the Underwriter and are believed to be reasonable. In addition the Structuring Assumptions are based on the Revenue Study which projects retail sales activity and resultant Revenues based on numerous assumptions as described therein. See the discussion herein under the caption “**REVENUE STUDY**” and **Appendix A – REVENUE STUDY**, attached hereto. Some assumptions inevitably will not materialize and unanticipated events and circumstances may occur. Actual results achieved will vary from the results based on the Structuring Assumptions, and the variations may be material. If actual results are materially different from those assumed, it could have a material effect on the projections set forth under this caption. See “**BONDOWNERS’ RISKS – Revenue Study – Forward-Looking Statements.**”

Revenues Moderate, Low and High Scenario. The Revenues were based on the projections for the related Moderate, Low and High Scenario forecasts as set forth in the Revenue Study. See the discussion herein under the caption “**REVENUE STUDY**” and **Appendix A – REVENUE STUDY**, attached hereto.

Level Annual Percentage (%) Decline Scenario. Using the Revenue Study’s Moderate Scenario projected 2019 Revenues, a level annual percentage (%) decline breakeven was calculated to have Projected Turbo Redemptions coincide with the maturity of the Series 2018 Turbo Bonds. For purposes of this analysis, a level decline of 2.88%* has been applied to 1st year revenues on a year-over-year basis. With the assumptions described below, the final Projected Turbo Redemption will occur on the maturity date of the Series 2018 Turbo Bonds.

Assumed Agent Fees. Fees and expenses of the Trustee, Dissemination Agent, and Rebate Analyst have been assumed at \$10,000 annually upon delivery of the Series 2018 Turbo Bonds (the “**Assumed Agent Fees**”).

Date. The Series 2018 Turbo Bonds were assumed to be issued on June 14, 2018.*

Interest. The analysis assumes a coupon rate for the Series 2018 Turbo Bonds of 5.25%.*

Projected Turbo Redemptions

The following tables were prepared by the Underwriter and set forth the projected impact of Turbo Redemptions on the Outstanding principal amount of the Series 2018 Turbo Bonds in each Bond Year for each of the Revenue Study’s Moderate, High and Low Scenarios and the Level Annual % Decline Scenario. The tables show for each projection year (June 1 to May 30), Outstanding principal amount, Revenues (based upon the assumptions above) applied pursuant to the Flow of Funds under the Indenture, Turbo Redemptions and principal amount after Turbo Redemption.

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* Preliminary, subject to change.

Moderate Scenario Projected Turbo Redemptions for the Series 2018 Turbo Bonds†**

Date	Projection Year	Bond Year (12/1)	Annual CID Tax Revenues	Prior Period Excess Revenues	Release of Debt Service Reserve Fund	Assumed Agent Fees	Total Revenues Available	Par Amount Before Turbo Redemption	Interest Due on the Outstanding Par Amount	Turbo Redemption	Par Amount After Turbo Redemption	Excess Revenues
Total			65,008,000		2,147,119	(220,000)			12,568,785	27,265,000		
6/1/19	2018/2019	2019	2,642,000	-	-	(10,000)	2,632,000	\$27,265,000	1,379,723	550,000.00	26,715,000	702,277
12/1/19	2019/2020	2019	-	702,277	-	-	702,277	26,715,000	701,269	-	26,715,000	1,009
6/1/20	2019/2020	2020	2,681,000	1,009	-	(10,000)	2,672,009	26,715,000	701,269	1,300,000.00	25,415,000	670,740
12/1/20	2020/2021	2020	-	670,740	-	-	670,740	25,415,000	667,144	-	25,415,000	3,596
6/1/21	2020/2021	2021	2,711,000	3,596	-	(10,000)	2,704,596	25,415,000	667,144	1,405,000.00	24,010,000	632,452
12/1/21	2021/2022	2021	-	632,452	-	-	632,452	24,010,000	630,263	-	24,010,000	2,190
6/1/22	2021/2022	2022	2,738,000	2,190	-	(10,000)	2,730,190	24,010,000	630,263	1,505,000.00	22,505,000	594,927
12/1/22	2022/2023	2022	-	594,927	-	-	594,927	22,505,000	590,756	-	22,505,000	4,171
6/1/23	2022/2023	2023	2,765,000	4,171	-	(10,000)	2,759,171	22,505,000	590,756	1,620,000.00	20,885,000	548,415
12/1/23	2023/2024	2023	-	548,415	-	-	548,415	20,885,000	548,231	-	20,885,000	184
6/1/24	2023/2024	2024	2,793,000	184	-	(10,000)	2,783,184	20,885,000	548,231	1,730,000.00	19,155,000	504,952
12/1/24	2024/2025	2024	-	504,952	-	-	504,952	19,155,000	502,819	-	19,155,000	2,134
6/1/25	2024/2025	2025	2,821,000	2,134	-	(10,000)	2,813,134	19,155,000	502,819	1,855,000.00	17,300,000	455,315
12/1/25	2025/2026	2025	-	455,315	-	-	455,315	17,300,000	454,125	-	17,300,000	1,190
6/1/26	2025/2026	2026	2,849,000	1,190	-	(10,000)	2,840,190	17,300,000	454,125	1,980,000.00	15,320,000	406,065
12/1/26	2026/2027	2026	-	406,065	-	-	406,065	15,320,000	402,150	-	15,320,000	3,915
6/1/27	2026/2027	2027	2,877,000	3,915	-	(10,000)	2,870,915	15,320,000	402,150	2,120,000.00	13,200,000	348,765
12/1/27	2027/2028	2027	-	348,765	-	-	348,765	13,200,000	346,500	-	13,200,000	2,265
6/1/28	2027/2028	2028	2,906,000	2,265	-	(10,000)	2,898,265	13,200,000	346,500	2,260,000.00	10,940,000	291,765
12/1/28	2028/2029	2028	-	291,765	-	-	291,765	10,940,000	287,175	-	10,940,000	4,590
6/1/29	2028/2029	2029	2,935,000	4,590	-	(10,000)	2,929,590	10,940,000	287,175	2,415,000.00	8,525,000	227,415
12/1/29	2029/2030	2029	-	227,415	-	-	227,415	8,525,000	223,781	-	8,525,000	3,634
6/1/30	2029/2030	2030	2,965,000	3,634	-	(10,000)	2,958,634	8,525,000	223,781	2,575,000.00	5,950,000	159,852
12/1/30	2030/2031	2030	-	159,852	-	-	159,852	5,950,000	156,188	-	5,950,000	3,665
6/1/31	2030/2031	2031	2,994,000	3,665	-	(10,000)	2,987,665	5,950,000	156,188	2,745,000.00	3,205,000	86,477
12/1/31	2031/2032	2031	-	86,477	-	-	86,477	3,205,000	84,131	-	3,205,000	2,346
6/1/32	2031/2032	2032	3,024,000	2,346	2,147,119	(10,000)	5,163,465	3,205,000	84,131	3,205,000.00	-	1,874,334
12/1/32	2032/2033	2032	-	1,874,334	-	-	1,874,334	-	-	-	-	1,874,334
6/1/33	2032/2033	2033	3,054,000	1,874,334	-	(10,000)	4,918,334	-	-	-	-	4,918,334
12/1/33	2033/2034	2033	-	4,918,334	-	-	4,918,334	-	-	-	-	4,918,334
6/1/34	2033/2034	2034	3,085,000	4,918,334	-	(10,000)	7,993,334	-	-	-	-	7,993,334
12/1/34	2034/2035	2034	-	7,993,334	-	-	7,993,334	-	-	-	-	7,993,334
6/1/35	2034/2035	2035	3,116,000	7,993,334	-	(10,000)	11,099,334	-	-	-	-	11,099,334
12/1/35	2035/2036	2035	-	11,099,334	-	-	11,099,334	-	-	-	-	11,099,334
6/1/36	2035/2036	2036	3,147,000	11,099,334	-	(10,000)	14,236,334	-	-	-	-	14,236,334
12/1/36	2036/2037	2036	-	14,236,334	-	-	14,236,334	-	-	-	-	14,236,334
6/1/37	2036/2037	2037	3,178,000	14,236,334	-	(10,000)	17,404,334	-	-	-	-	17,404,334
12/1/37	2037/2038	2037	-	17,404,334	-	-	17,404,334	-	-	-	-	17,404,334
6/1/38	2037/2038	2038	3,210,000	17,404,334	-	(10,000)	20,604,334	-	-	-	-	20,604,334
12/1/38	2038/2039	2038	-	20,604,334	-	-	20,604,334	-	-	-	-	20,604,334
6/1/39	2038/2039	2039	3,242,000	20,604,334	-	(10,000)	23,836,334	-	-	-	-	23,836,334
12/1/39	2039/2040	2039	-	23,836,334	-	-	23,836,334	-	-	-	-	23,836,334
6/1/40	2039/2040	2040	3,275,000	23,836,334	-	(10,000)	27,101,334	-	-	-	-	27,101,334
12/1/40	-	2040	-	27,101,334	-	-	27,101,334	-	-	-	-	27,101,334

* Preliminary, subject to change.

† Source: Revenues sourced from Revenue Study, net of Assumed Agent Fees. Expected Turbo Redemptions are shown on an annual basis, but will occur semi-annually on each interest payment date.

Low Scenario Projected Turbo Redemptions for the Series 2018 Turbo Bonds†**

Date	Projection Year	Bond Year (12/1)	Annual CID Tax Revenues	Prior Period Excess Revenues	Release of Debt Service Reserve Fund	Assumed Agent Fees	Total Revenues Available	Par Amount Before Turbo Redemption	Interest Due on the Outstanding Par Amount	Turbo Redemption	Par Amount After Turbo Redemption	Excess Revenues
Total			59,771,000		2,147,119	(220,000)			13,545,285	27,265,000		
6/1/19	2018/2019	2019	2,619,000	-	-	(10,000)	2,609,000	27,265,000	1,379,723	525,000.00	26,740,000	704,277
12/1/19	2019/2020	2019	-	704,277	-	-	704,277	26,740,000	701,925	-	26,740,000	2,352
6/1/20	2019/2020	2020	2,561,000	2,352	-	(10,000)	2,553,352	26,740,000	701,925	1,180,000.00	25,560,000	671,427
12/1/20	2020/2021	2020	-	671,427	-	-	671,427	25,560,000	670,950	-	25,560,000	477
6/1/21	2020/2021	2021	2,602,000	477	-	(10,000)	2,592,477	25,560,000	670,950	1,280,000.00	24,280,000	641,527
12/1/21	2021/2022	2021	-	641,527	-	-	641,527	24,280,000	637,350	-	24,280,000	4,177
6/1/22	2021/2022	2022	2,615,000	4,177	-	(10,000)	2,609,177	24,280,000	637,350	1,370,000.00	22,910,000	601,827
12/1/22	2022/2023	2022	-	601,827	-	-	601,827	22,910,000	601,388	-	22,910,000	440
6/1/23	2022/2023	2023	2,628,000	440	-	(10,000)	2,618,440	22,910,000	601,388	1,450,000.00	21,460,000	567,052
12/1/23	2023/2024	2023	-	567,052	-	-	567,052	21,460,000	563,325	-	21,460,000	3,727
6/1/24	2023/2024	2024	2,641,000	3,727	-	(10,000)	2,634,727	21,460,000	563,325	1,545,000.00	19,915,000	526,402
12/1/24	2024/2025	2024	-	526,402	-	-	526,402	19,915,000	522,769	-	19,915,000	3,634
6/1/25	2024/2025	2025	2,655,000	3,634	-	(10,000)	2,648,634	19,915,000	522,769	1,645,000.00	18,270,000	480,865
12/1/25	2025/2026	2025	-	480,865	-	-	480,865	18,270,000	479,588	-	18,270,000	1,277
6/1/26	2025/2026	2026	2,668,000	1,277	-	(10,000)	2,659,277	18,270,000	479,588	1,745,000.00	16,525,000	434,690
12/1/26	2026/2027	2026	-	434,690	-	-	434,690	16,525,000	433,781	-	16,525,000	909
6/1/27	2026/2027	2027	2,681,000	909	-	(10,000)	2,671,909	16,525,000	433,781	1,850,000.00	14,675,000	388,127
12/1/27	2027/2028	2027	-	388,127	-	-	388,127	14,675,000	385,219	-	14,675,000	2,909
6/1/28	2027/2028	2028	2,695,000	2,909	-	(10,000)	2,687,909	14,675,000	385,219	1,965,000.00	12,710,000	337,690
12/1/28	2028/2029	2028	-	337,690	-	-	337,690	12,710,000	333,638	-	12,710,000	4,052
6/1/29	2028/2029	2029	2,708,000	4,052	-	(10,000)	2,702,052	12,710,000	333,638	2,085,000.00	10,625,000	283,415
12/1/29	2029/2030	2029	-	283,415	-	-	283,415	10,625,000	278,906	-	10,625,000	4,509
6/1/30	2029/2030	2030	2,722,000	4,509	-	(10,000)	2,716,509	10,625,000	278,906	2,215,000.00	8,410,000	222,602
12/1/30	2030/2031	2030	-	222,602	-	-	222,602	8,410,000	220,763	-	8,410,000	1,840
6/1/31	2030/2031	2031	2,735,000	1,840	-	(10,000)	2,726,840	8,410,000	220,763	2,345,000.00	6,065,000	161,077
12/1/31	2031/2032	2031	-	161,077	-	-	161,077	6,065,000	159,206	-	6,065,000	1,871
6/1/32	2031/2032	2032	2,749,000	1,871	-	(10,000)	2,740,871	6,065,000	159,206	2,485,000.00	3,580,000	96,665
12/1/32	2032/2033	2032	-	96,665	-	-	96,665	3,580,000	93,975	-	3,580,000	2,690
6/1/33	2032/2033	2033	2,763,000	2,690	2,147,119	(10,000)	4,902,809	3,580,000	93,975	3,580,000.00	-	1,228,834
12/1/33	2033/2034	2033	-	1,228,834	-	-	1,228,834	-	-	-	-	1,228,834
6/1/34	2033/2034	2034	2,777,000	1,228,834	-	(10,000)	3,995,834	-	-	-	-	3,995,834
12/1/34	2034/2035	2034	-	3,995,834	-	-	3,995,834	-	-	-	-	3,995,834
6/1/35	2034/2035	2035	2,790,000	3,995,834	-	(10,000)	6,775,834	-	-	-	-	6,775,834
12/1/35	2035/2036	2035	-	6,775,834	-	-	6,775,834	-	-	-	-	6,775,834
6/1/36	2035/2036	2036	2,804,000	6,775,834	-	(10,000)	9,569,834	-	-	-	-	9,569,834
12/1/36	2036/2037	2036	-	9,569,834	-	-	9,569,834	-	-	-	-	9,569,834
6/1/37	2036/2037	2037	2,818,000	9,569,834	-	(10,000)	12,377,834	-	-	-	-	12,377,834
12/1/37	2037/2038	2037	-	12,377,834	-	-	12,377,834	-	-	-	-	12,377,834
6/1/38	2037/2038	2038	2,832,000	12,377,834	-	(10,000)	15,199,834	-	-	-	-	15,199,834
12/1/38	2038/2039	2038	-	15,199,834	-	-	15,199,834	-	-	-	-	15,199,834
6/1/39	2038/2039	2039	2,847,000	15,199,834	-	(10,000)	18,036,834	-	-	-	-	18,036,834
12/1/39	2039/2040	2039	-	18,036,834	-	-	18,036,834	-	-	-	-	18,036,834
6/1/40	2039/2040	2040	2,861,000	18,036,834	-	(10,000)	20,887,834	-	-	-	-	20,887,834
12/1/40	-	2040	-	20,887,834	-	-	20,887,834	-	-	-	-	20,887,834

* Preliminary, subject to change.

† Source: Revenues sourced from Revenue Study, net of Assumed Agent Fees. Expected Turbo Redemptions are shown on an annual basis, but will occur semi-annually on each interest payment date.

High Scenario Projected Turbo Redemptions for the Series 2018 Turbo Bonds**

Date	Projection Year	Bond.. Year (12/1)	Annual CID Tax Revenues	Prior Period Excess Revenues	Release of Debt Service Reserve Fund	Assumed Agent Fees	Total Revenues Available	Par Amount Before Turbo Redemption	Interest Due on the Outstanding Par Amount	Turbo Redemption	Par Amount After Turbo Redemption	Excess Revenues
Total			72,004,000		2,147,119	(220,000)			11,844,548	27,265,000		
6/1/19	2018/2019	2019	2,664,000	-	-	(10,000)	2,654,000	27,265,000	1,379,723	570,000.00	26,695,000	704,277
12/1/19	2019/2020	2019	-	704,277	-	-	704,277	26,695,000	700,744	-	26,695,000	3,534
6/1/20	2019/2020	2020	2,727,000	3,534	-	(10,000)	2,720,534	26,695,000	700,744	1,350,000.00	25,345,000	669,790
12/1/20	2020/2021	2020	-	669,790	-	-	669,790	25,345,000	665,306	-	25,345,000	4,484
6/1/21	2020/2021	2021	2,780,000	4,484	-	(10,000)	2,774,484	25,345,000	665,306	1,480,000.00	23,865,000	629,177
12/1/21	2021/2022	2021	-	629,177	-	-	629,177	23,865,000	626,456	-	23,865,000	2,721
6/1/22	2021/2022	2022	2,832,000	2,721	-	(10,000)	2,824,721	23,865,000	626,456	1,610,000.00	22,255,000	588,265
12/1/22	2022/2023	2022	-	588,265	-	-	588,265	22,255,000	584,194	-	22,255,000	4,071
6/1/23	2022/2023	2023	2,885,000	4,071	-	(10,000)	2,879,071	22,255,000	584,194	1,755,000.00	20,500,000	539,877
12/1/23	2023/2024	2023	-	539,877	-	-	539,877	20,500,000	538,125	-	20,500,000	1,752
6/1/24	2023/2024	2024	2,938,000	1,752	-	(10,000)	2,929,752	20,500,000	538,125	1,900,000.00	18,600,000	491,627
12/1/24	2024/2025	2024	-	491,627	-	-	491,627	18,600,000	488,250	-	18,600,000	3,377
6/1/25	2024/2025	2025	2,993,000	3,377	-	(10,000)	2,986,377	18,600,000	488,250	2,060,000.00	16,540,000	438,127
12/1/25	2025/2026	2025	-	438,127	-	-	438,127	16,540,000	434,175	-	16,540,000	3,952
6/1/26	2025/2026	2026	3,049,000	3,952	-	(10,000)	3,042,952	16,540,000	434,175	2,230,000.00	14,310,000	378,777
12/1/26	2026/2027	2026	-	378,777	-	-	378,777	14,310,000	375,638	-	14,310,000	3,140
6/1/27	2026/2027	2027	3,105,000	3,140	-	(10,000)	3,098,140	14,310,000	375,638	2,405,000.00	11,905,000	317,502
12/1/27	2027/2028	2027	-	317,502	-	-	317,502	11,905,000	312,506	-	11,905,000	4,996
6/1/28	2027/2028	2028	3,163,000	4,996	-	(10,000)	3,157,996	11,905,000	312,506	2,600,000.00	9,305,000	245,490
12/1/28	2028/2029	2028	-	245,490	-	-	245,490	9,305,000	244,256	-	9,305,000	1,234
6/1/29	2028/2029	2029	3,222,000	1,234	-	(10,000)	3,213,234	9,305,000	244,256	2,795,000.00	6,510,000	173,977
12/1/29	2029/2030	2029	-	173,977	-	-	173,977	6,510,000	170,888	-	6,510,000	3,090
6/1/30	2029/2030	2030	3,282,000	3,090	-	(10,000)	3,275,090	6,510,000	170,888	3,010,000.00	3,500,000	94,202
12/1/30	2030/2031	2030	-	94,202	-	-	94,202	3,500,000	91,875	-	3,500,000	2,327
6/1/31	2030/2031	2031	3,343,000	2,327	2,147,119	(10,000)	5,482,446	3,500,000	91,875	3,500,000.00	-	1,890,571
12/1/31	2031/2032	2031	-	1,890,571	-	-	1,890,571	-	-	-	-	1,890,571
6/1/32	2031/2032	2032	3,405,000	1,890,571	-	(10,000)	5,285,571	-	-	-	-	5,285,571
12/1/32	2032/2033	2032	-	5,285,571	-	-	5,285,571	-	-	-	-	5,285,571
6/1/33	2032/2033	2033	3,468,000	5,285,571	-	(10,000)	8,743,571	-	-	-	-	8,743,571
12/1/33	2033/2034	2033	-	8,743,571	-	-	8,743,571	-	-	-	-	8,743,571
6/1/34	2033/2034	2034	3,532,000	8,743,571	-	(10,000)	12,265,571	-	-	-	-	12,265,571
12/1/34	2034/2035	2034	-	12,265,571	-	-	12,265,571	-	-	-	-	12,265,571
6/1/35	2034/2035	2035	3,598,000	12,265,571	-	(10,000)	15,853,571	-	-	-	-	15,853,571
12/1/35	2035/2036	2035	-	15,853,571	-	-	15,853,571	-	-	-	-	15,853,571
6/1/36	2035/2036	2036	3,665,000	15,853,571	-	(10,000)	19,508,571	-	-	-	-	19,508,571
12/1/36	2036/2037	2036	-	19,508,571	-	-	19,508,571	-	-	-	-	19,508,571
6/1/37	2036/2037	2037	3,733,000	19,508,571	-	(10,000)	23,231,571	-	-	-	-	23,231,571
12/1/37	2037/2038	2037	-	23,231,571	-	-	23,231,571	-	-	-	-	23,231,571
6/1/38	2037/2038	2038	3,802,000	23,231,571	-	(10,000)	27,023,571	-	-	-	-	27,023,571
12/1/38	2038/2039	2038	-	27,023,571	-	-	27,023,571	-	-	-	-	27,023,571
6/1/39	2038/2039	2039	3,873,000	27,023,571	-	(10,000)	30,886,571	-	-	-	-	30,886,571
12/1/39	2039/2040	2039	-	30,886,571	-	-	30,886,571	-	-	-	-	30,886,571
6/1/40	2039/2040	2040	3,945,000	30,886,571	-	(10,000)	34,821,571	-	-	-	-	34,821,571
12/1/40	-	2040	-	34,821,571	-	-	34,821,571	-	-	-	-	34,821,571

* Preliminary, subject to change.

† Source: Revenues sourced from Revenue Study, net of Assumed Agent Fees. Expected Turbo Redemptions are shown on an annual basis, but will occur semi-annually on each interest payment date.

Level Annual % Decline Scenario Projected Turbo Redemptions for the Series 2018 Turbo Bonds* †

Date	Projection Year	Bond.. Year (12/1)	Annual CID Tax Revenues	Prior Period Excess Revenues	Release of Debt Service Reserve Fund	Assumed Agent Fees	Total Revenues Available	Par Amount Before Turbo Redemption	Interest Due on the Outstanding Par Amount	Turbo Redemption	Par Amount After Turbo Redemption	Excess Revenues
Total			43,504,569		2,147,119	(220,000)			18,104,385	27,265,000		
6/1/19	2018/2019	2019	2,642,000	-	-	(10,000)	2,632,000	27,265,000	1,379,723	550,000.00	26,715,000	702,277
12/1/19	2019/2020	2019	-	702,277	-	-	702,277	26,715,000	701,269	-	26,715,000	1,009
6/1/20	2019/2020	2020	2,565,910	1,009	-	(10,000)	2,556,919	26,715,000	701,269	1,185,000.00	25,530,000	670,650
12/1/20	2020/2021	2020	-	670,650	-	-	670,650	25,530,000	670,163	-	25,530,000	488
6/1/21	2020/2021	2021	2,492,012	488	-	(10,000)	2,482,500	25,530,000	670,163	1,170,000.00	24,360,000	642,337
12/1/21	2021/2022	2021	-	642,337	-	-	642,337	24,360,000	639,450	-	24,360,000	2,887
6/1/22	2021/2022	2022	2,420,242	2,887	-	(10,000)	2,413,130	24,360,000	639,450	1,160,000.00	23,200,000	613,680
12/1/22	2022/2023	2022	-	613,680	-	-	613,680	23,200,000	609,000	-	23,200,000	4,680
6/1/23	2022/2023	2023	2,350,539	4,680	-	(10,000)	2,345,219	23,200,000	609,000	1,155,000.00	22,045,000	581,219
12/1/23	2023/2024	2023	-	581,219	-	-	581,219	22,045,000	578,681	-	22,045,000	2,538
6/1/24	2023/2024	2024	2,282,844	2,538	-	(10,000)	2,275,381	22,045,000	578,681	1,145,000.00	20,900,000	551,700
12/1/24	2024/2025	2024	-	551,700	-	-	551,700	20,900,000	548,625	-	20,900,000	3,075
6/1/25	2024/2025	2025	2,217,098	3,075	-	(10,000)	2,210,173	20,900,000	548,625	1,140,000.00	19,760,000	521,548
12/1/25	2025/2026	2025	-	521,548	-	-	521,548	19,760,000	518,700	-	19,760,000	2,848
6/1/26	2025/2026	2026	2,153,245	2,848	-	(10,000)	2,146,093	19,760,000	518,700	1,135,000.00	18,625,000	492,393
12/1/26	2026/2027	2026	-	492,393	-	-	492,393	18,625,000	488,906	-	18,625,000	3,487
6/1/27	2026/2027	2027	2,091,232	3,487	-	(10,000)	2,084,719	18,625,000	488,906	1,135,000.00	17,490,000	460,813
12/1/27	2027/2028	2027	-	460,813	-	-	460,813	17,490,000	459,113	-	17,490,000	1,700
6/1/28	2027/2028	2028	2,031,004	1,700	-	(10,000)	2,022,705	17,490,000	459,113	1,130,000.00	16,360,000	433,592
12/1/28	2028/2029	2028	-	433,592	-	-	433,592	16,360,000	429,450	-	16,360,000	4,142
6/1/29	2028/2029	2029	1,972,512	4,142	-	(10,000)	1,966,654	16,360,000	429,450	1,135,000.00	15,225,000	402,204
12/1/29	2029/2030	2029	-	402,204	-	-	402,204	15,225,000	399,656	-	15,225,000	2,548
6/1/30	2029/2030	2030	1,915,703	2,548	-	(10,000)	1,908,251	15,225,000	399,656	1,135,000.00	14,090,000	373,595
12/1/30	2030/2031	2030	-	373,595	-	-	373,595	14,090,000	369,863	-	14,090,000	3,732
6/1/31	2030/2031	2031	1,860,531	3,732	-	(10,000)	1,854,263	14,090,000	369,863	1,140,000.00	12,950,000	344,400
12/1/31	2031/2032	2031	-	344,400	-	-	344,400	12,950,000	339,938	-	12,950,000	4,463
6/1/32	2031/2032	2032	1,806,948	4,463	-	(10,000)	1,801,411	12,950,000	339,938	1,150,000.00	11,800,000	311,473
12/1/32	2032/2033	2032	-	311,473	-	-	311,473	11,800,000	309,750	-	11,800,000	1,723
6/1/33	2032/2033	2033	1,754,908	1,723	-	(10,000)	1,746,631	11,800,000	309,750	1,155,000.00	10,645,000	281,881
12/1/33	2033/2034	2033	-	281,881	-	-	281,881	10,645,000	279,431	-	10,645,000	2,449
6/1/34	2033/2034	2034	1,704,366	2,449	-	(10,000)	1,696,816	10,645,000	279,431	1,165,000.00	9,480,000	252,384
12/1/34	2034/2035	2034	-	252,384	-	-	252,384	9,480,000	248,850	-	9,480,000	3,534
6/1/35	2034/2035	2035	1,655,280	3,534	-	(10,000)	1,648,815	9,480,000	248,850	1,180,000.00	8,300,000	219,965
12/1/35	2035/2036	2035	-	219,965	-	-	219,965	8,300,000	217,875	-	8,300,000	2,090
6/1/36	2035/2036	2036	1,607,608	2,090	-	(10,000)	1,599,698	8,300,000	217,875	1,195,000.00	7,105,000	186,823
12/1/36	2036/2037	2036	-	186,823	-	-	186,823	7,105,000	186,506	-	7,105,000	317
6/1/37	2036/2037	2037	1,561,309	317	-	(10,000)	1,551,626	7,105,000	186,506	1,210,000.00	5,895,000	155,120
12/1/37	2037/2038	2037	-	155,120	-	-	155,120	5,895,000	154,744	-	5,895,000	376
6/1/38	2037/2038	2038	1,516,344	376	-	(10,000)	1,506,720	5,895,000	154,744	1,225,000.00	4,670,000	126,976
12/1/38	2038/2039	2038	-	126,976	-	-	126,976	4,670,000	122,588	-	4,670,000	4,389
6/1/39	2038/2039	2039	1,472,673	4,389	-	(10,000)	1,467,062	4,670,000	122,588	1,250,000.00	3,420,000	94,474
12/1/39	2039/2040	2039	-	94,474	-	-	94,474	3,420,000	89,775	-	3,420,000	4,699
6/1/40	2039/2040	2040	1,430,260	4,699	2,147,119	(10,000)	3,572,078	3,420,000	89,775	3,420,000.00	-	62,303
12/1/40	-	2040	-	62,303	-	-	62,303	-	-	-	-	62,303

* Preliminary, subject to change.

† Source: Revenues sourced from Revenue Study, net of Assumed Agent Fees. Expected Turbo Redemptions are shown on an annual basis, but will occur semi-annually on each interest payment date. For purposes of this analysis, a level decline of 2.88%* has been applied to first year Revenues (assumes Moderate Scenario projections in 2019) on a year-over-year basis. The final Projected Turbo Redemption will occur with the maturity of the Series 2018 Turbo Bonds.

Initial Projected Weighted Average Lives

The following table was prepared by the Underwriters assuming Turbo Redemptions as described above under the heading “**Projected Turbo Redemptions**,” and sets forth the “**Initial Projected Weighted Average Life**” and “**Expected Final Turbo Redemption Date**” of the Series 2018 Turbo Bonds under each scenario. The tables are based on the Structuring Assumptions and the application of projected Revenues for each of the Revenue Study’s Moderate, Low and High Scenario and the Level Annual Percentage (%) Decline Scenario in accordance with the flow of funds pursuant to the Indenture. The Initial Projected Weighted Average Life and Expected Final Turbo Redemption Date for the Series 2018 Turbo Bonds shown on the inside cover is based on the application of projected Revenues for the Revenue Study’s Moderate Scenario. Under the Indenture, the initial projected weighted average lives are utilized in calculation of the coverage requirements in connection with the issuance of Additional Bonds. See the discussion herein under the caption “**SECURITY AND SOURCES OF PAYMENT -- Additional Bonds.**”

*Initial Projected Weighted Average Lives and Expected Final Redemption Date**

Projected Pledged Tax Revenues**	Initial Projected Weighted Average Life (in years)	Expected Final Turbo Redemption Date	Expected Final Turbo Redemption Date (in years)
Moderate Scenario	8.78	2032	14
Low Scenario	9.46	2033	15
High Scenario	8.27	2031	13
Level Annual % Decline Scenario	12.65	2040	22

* Preliminary, subject to change.

** Source: Revenue Study, net of Assumed Agent Fees.

ISSUER

The Issuer is a municipal corporation duly organized and existing under the laws of the State as a consolidated city-county, having all the powers, functions and duties of a county and a city of the first class. Effective October 1, 1997, the Issuer became the successor government to the City Council of the City of Kansas City, Kansas and the Board of Commissioners of Wyandotte County, Kansas upon the consolidation of the City of Kansas City, Kansas and Wyandotte County, Kansas. The Issuer constitutes a portion of the Kansas City, Kansas/Kansas Metropolitan Statistical Area. The Series 2018 Turbo Bonds are not an obligation of the Issuer.

CONTINUING DISCLOSURE

General

To assist the Underwriter with its obligations under Rule 15c2-12 (the “**Rule**”) of the Securities and Exchange Commission and for the benefit of the beneficial owners of the Series 2018 Turbo Bonds, the Issuer has covenanted to provide to Security Bank of Kansas City, as dissemination agent (the “**Dissemination Agent**”), certain financial information relating to collection of the CID Sales Tax in the CID on a semiannual basis, and to provide notice of the occurrence of certain enumerated events, if material, all as provided in the Issuer Continuing Disclosure Agreement, dated as of June 1, 2018, between the Issuer and the Dissemination Agent. The West Lawn Developer and Apartments and Garage Developer have each agreed to provide the Issuer and the Dissemination Agent with certain operating information with respect to their respective Projects, and with respect to the West Lawn Developer, certain retail operations within the CID, as provided in the respective Developer Continuing Disclosure Agreements, each dated as of June 1, 2018, between the respective West Lawn Developer and Apartments and Garage Developer and the Dissemination Agent. Pursuant to the Issuer Continuing Disclosure Agreement, the Dissemination Agent has

agreed to disseminate the financial information described above and notice of material events to the Municipal Securities Rulemaking Board (“MSRB”). The Dissemination Agent has agreed to provide the information provided by the West Lawn Developer and Apartments and Garage Developer pursuant to the respective Developer Continuing Disclosure Agreement to the MSRB. The forms of the Continuing Disclosure Agreements are attached hereto as **Appendix D – FORMS OF CONTINUING DISCLOSURE AGREEMENTS**. A default under a Continuing Disclosure Agreement shall not be deemed an Event of Default under the Indenture, and the sole remedy under a Continuing Disclosure Agreement in the event of any failure of the Issuer, the West Lawn Developer, the Apartments and Garage Developer or the Dissemination Agent to comply with a Continuing Disclosure Agreement shall be an action to compel performance.

The Continuing Disclosure Agreements require the Issuer, the Apartments and Garage Developer and the West Lawn Developer, respectively, to provide annually certain financial information and operating data with respect to the CID to the Municipal Securities Rulemaking Board through its Electronic Municipal Market Access (“EMMA”) website. EMMA is an internet-based, online portal for free investor access to municipal bond information, including offering documents, event notices, real-time municipal securities trade prices and education resources, available at www.emma.msrb.org. Nothing contained on EMMA relating to the Issuer or the Series 2018 Turbo Bonds is incorporated by reference in this Official Statement.

Compliance with Prior Continuing Disclosure Obligations

With respect to various sales tax special obligation revenue bonds, transportation development district revenue bonds and certain other economic development revenue bonds (the “**Economic Development Bonds**”), the Unified Government has failed to file or to link the required financial information and operating data within the time period stipulated in previous continuing disclosure agreements, and failed to file notices of such failure to file. In addition, with respect to its Economic Development Bonds, the Unified Government’s Comprehensive Annual Financial Report (“**CAFR**”) was not linked to all required Economic Development Bonds, but the CAFR was otherwise available on EMMA.

In the past five years, the Unified Government has failed to file certain annual financial information and operating data within the time period stipulated in previous undertakings under the Rule for certain general obligation bonds and utility system bonds. However, in each of the previous five years, the Unified Government has filed its CAFR on EMMA within seven months of the end of the Unified Government’s fiscal year (the Unified Government’s continuing disclosure obligations for general obligation bonds required filing within 365 days of the fiscal year end). The CAFR did not always contain all of the required operating data and was not always linked to all the applicable CUSIPs.

During the past five years, the Unified Government failed to make timely filing of event notices on EMMA relating to bond calls, defeasances or rating changes.

On June 5, 2014, the Unified Government adopted written procedures to facilitate future compliance with the Rule, and a copy of the written procedures is published in the annually adopted budget and can be made available to any person upon request. Additionally, certain staff members of the Unified Government have participated in training regarding compliance with the Rule.

NO LITIGATION

Issuer

At the time of delivery of and payment for the Series 2018 Turbo Bonds, the Issuer will certify that there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, regulatory agency, public board or body, pending with respect to which the Issuer has been served with process or is otherwise aware, or, to the knowledge of the officer of the Issuer executing such certificate, threatened against the Issuer affecting the

existence of the Issuer or the titles of its officers to their respective offices or seeking to restrain or to enjoin the sale or delivery of the Series 2018 Turbo Bonds, the application of the proceeds thereof in accordance with the Bond Ordinance and/or the Indenture, or the collection or application of the taxes provided for the payment of the Series 2018 Turbo Bonds, or in any way contesting or affecting the validity or enforceability of the Series 2018 Turbo Bonds, the Bond Ordinance, the Indenture, the Development Agreement, the agreements entered into by the Issuer, or any action of the Issuer contemplated by any of said documents, or the collection or application of any tax receipts provided for the payment of the Series 2018 Turbo Bonds, or in any way contesting the completeness or accuracy of the Bond Ordinance, the Indenture, the Development Agreement, or any amendments or supplements hereto, or contesting the powers of the Issuer contemplated by any of said documents.

Developer

At the time of delivery of and payment for the Series 2018 Turbo Bonds, the Apartments and Garage Developer and the West Lawn Developer will certify that there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body, pending or threatened by or against the respective entity: (i) in any way questioning the due formation and valid existence of such entity or (ii) in any way questioning or affecting the validity of the respective Development Agreement to which such entity is a party or any other agreements entered into by such entity or the consummation of the transactions contemplated thereby.

CERTAIN LEGAL MATTERS

Certain legal matters incident to the authorization and issuance of the Series 2018 Turbo Bonds by the Issuer are subject to the approval of Gilmore & Bell, P.C., Kansas City, Missouri, Bond Counsel to the Issuer, whose approving opinion will be delivered with the Series 2018 Turbo Bonds. The opinion of Bond Counsel is expected to be delivered in substantially the form attached hereto as **Appendix E** to this Official Statement. Bond Counsel has not reviewed or participated in the preparation of this Official Statement except for the sections captioned **“INTRODUCTION”** (excluding the subheadings entitled **“- Revenue Study”** and **“- Bondowners’ Risks,”** **“PLAN OF FINANCE,”** **“SERIES 2018 TURBO BONDS,”** **“DISTRIBUTION OF REVENUES UNDER THE INDENTURE,”** **“SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2018 TURBO BONDS,”** **“TAX LEVY, REPORTING AND COLLECTION,”** **“CERTAIN LEGAL MATTERS”** and **“TAX MATTERS,”** and **Appendices B, C and E**, and such portions of the **“SUMMARY STATEMENT”** as correspond with such sections. Certain other legal matters will be passed upon for the Issuer by Kenneth J. Moore, Chief Counsel of the Issuer and by its special counsel Stinson Leonard Street LLP, Kansas City, Missouri, for the West Lawn Developer by Greenberg Traurig, LLP, Chicago, Illinois, for the Apartments and Garage Developer by Sandberg Phoenix & von Gontard P.C., Overland Park, Kansas, and for the Underwriter by its counsel, Thompson Coburn LLP, Chicago, Illinois.

The various legal opinions to be delivered concurrently with the delivery of the Series 2018 Turbo Bonds will be qualified as to the enforceability of the various legal instruments by limitations imposed by the valid exercise of the constitutional powers of the State of Kansas and the United States of America and bankruptcy, reorganization, insolvency, or other similar laws affecting the rights of creditors generally, and by general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law). The various legal opinions to be delivered concurrently with the delivery of the Series 2018 Turbo Bonds express the professional judgment of the attorneys rendering the opinions on the legal issues explicitly addressed therein. By rendering a legal opinion, the opinion giver does not become an insurer or guarantor of that expression of professional judgment, of the transaction opined upon, or of the future performance of parties to such transaction. Nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

TAX MATTERS

The following is a summary of the material federal and State of Kansas income tax consequences of holding and disposing of the Series 2018 Turbo Bonds. This summary is based upon laws, regulations, rulings and judicial decisions now in effect, all of which are subject to change (possibly on a retroactive basis). This summary does not discuss all aspects of federal income taxation that may be relevant to investors in light of their personal investment circumstances or describe the tax consequences to certain types of owners subject to special treatment under the federal income tax laws (for example, dealers in securities or other persons who do not hold the Series 2018 Turbo Bonds as a capital asset, tax-exempt organizations, individual retirement accounts and other tax deferred accounts, and foreign taxpayers), and, except for the income tax laws of the State of Kansas, does not discuss the consequences to an owner under any state, local or foreign tax laws. The summary does not deal with the tax treatment of persons who purchase the Series 2018 Turbo Bonds in the secondary market. Prospective investors are advised to consult their own tax advisors regarding federal, state, local and other tax considerations of holding and disposing of the Series 2018 Turbo Bonds.

Opinion of Bond Counsel

Federal Tax Exemption. In the opinion of Gilmore & Bell, P.C., Bond Counsel to the Issuer, under existing law, the interest on the Series 2018 Turbo Bonds (including any original issue discount properly allocable to an owner thereof) is excludable from gross income for federal income tax purposes and is not an item of tax preference for purposes of computing the federal alternative minimum tax. The opinions set forth in this paragraph are subject to the condition that the Issuer comply with all requirements of the Internal Revenue Code of 1986, as amended (the “Code”), that must be satisfied subsequent to the issuance of the Series 2018 Turbo Bonds in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes. The Issuer has covenanted to comply with all such requirements. Failure to comply with certain of such requirements may cause the inclusion of interest on the Series 2018 Turbo Bonds in gross income for federal income tax purposes retroactive to the date of issuance of the Series 2018 Turbo Bonds.

Kansas Tax Exemption. The interest on the Series 2018 Turbo Bonds is exempt from income taxation by the State of Kansas.

No Bank-Qualified Tax-Exempt Obligations. The Series 2018 Turbo Bonds have not been designated as “qualified tax-exempt obligations” for purposes of Section 265(b) of the Code.

No Other Opinions. Bond Counsel expresses no opinion regarding other federal, state or local tax consequences arising with respect to the Series 2018 Turbo Bonds.

Form of Opinion of Bond Counsel. The proposed form of Bond Counsel’s opinion is attached hereto as Appendix E.

Original Issue Discount

For federal income tax purposes, original issue discount is the excess of the stated redemption price at maturity of a Series 2018 Turbo Bond over its issue price. The issue price of a Series 2018 Turbo Bond is the first price at which a substantial amount of the Series 2018 Turbo Bonds of that maturity have been sold (ignoring sales to bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents, or wholesalers). Under Section 1288 of the Code, original issue discount on tax-exempt Series 2018 Turbo Bonds accrues on a compound basis. The amount of original issue discount that accrues to an owner of a Series 2018 Turbo Bond generally equals (i) the issue price of such Series 2018 Turbo Bond, plus the amount of original issue discount accrued in all prior accrual periods, multiplied by (ii) the yield to maturity on such Series 2018 Turbo Bond (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period) minus (3) any interest payable on such Series 2018 Turbo Bond during that accrual period. The

amount of original issue discount so accrued in a particular accrual period will be considered to be received ratably on each day of the accrual period, will be excludable from gross income for federal income tax purposes, and will increase the owner's tax basis in such Series 2018 Turbo Bond. Prospective investors should consult their own tax advisors concerning the calculation and accrual of original issue discount.

Original Issue Premium

For federal income tax purposes, premium is the excess of the issue price of a Series 2018 Turbo Bond over its stated redemption price at maturity. The issue price of a Series 2018 Turbo Bond is generally the first price at which a substantial amount of the Series 2018 Turbo Bonds of that maturity have been sold (ignoring sales to bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents, or wholesalers). Under Section 171 of the Code, the purchaser of that Series Turbo 2018 Bond must amortize the premium over the term of the Series 2018 Turbo Bond using constant yield principles, based on the purchaser's yield to maturity. As premium is amortized, the owner's basis in the Series 2018 Turbo Bond and the amount of tax-exempt interest received will be reduced by the amount of amortizable premium properly allocable to the owner. This will result in an increase in the gain (or decrease in the loss) to be recognized for federal income tax purposes on sale or disposition of the prior to its maturity. Even though the owner's basis is reduced, no federal income tax deduction is allowed. Prospective investors should consult their own tax advisors concerning the calculation and accrual of bond premium.

Other Tax Consequences

General. Prospective purchasers of the Series 2018 Turbo Bonds should be aware that ownership of the Series 2018 Turbo Bonds may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, financial institutions, property and casualty insurance companies, individual recipients of Social Security or Railroad Retirement benefits, certain S corporations with "excess net passive income," foreign corporations subject to the branch profits tax, life insurance companies, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry or have paid or incurred certain expenses allocable to the Series 2018 Turbo Bonds. Bond Counsel expresses no opinion regarding these tax consequences. Purchasers of Series 2018 Turbo Bonds should consult their tax advisors as to the applicability of these tax consequences and other federal income tax consequences of the purchase, ownership and disposition of the Series 2018 Turbo Bonds, including the possible application of state, local, foreign and other tax laws.

Sale or Exchange. Upon the sale, exchange or retirement (including redemption) of a Series 2018 Turbo Bond, an owner of the Series 2018 Turbo Bond generally will recognize gain or loss in an amount equal to the difference between the amount of cash and the fair market value of any property received on the sale, exchange or retirement of the Series 2018 Turbo Bond and the owner's adjusted tax basis in the Series 2018 Turbo Bond (other than in respect of accrued interest), determined in the manner described above. To the extent the Series 2018 Turbo Bond is held as a capital asset, the gain or loss will be capital gain or loss and will be long-term capital gain or loss if the Series 2018 Turbo Bond has been held for more than 12 months at the time of sale, exchange or retirement.

Information Reporting and Backup Withholding. In general, information reporting requirements will apply to certain payments of principal, interest (including original issue discount) and premium paid on the Series 2018 Turbo Bonds, and to the proceeds paid on the sale of Series 2018 Turbo Bonds, other than certain exempt recipients (such as corporations and foreign entities). A backup withholding tax will apply to these payments if the owner fails to provide a taxpayer identification number or certification of foreign or other exempt status or fails to report in full dividend and interest income. The amount of any backup withholding from a payment to an owner will be allowed as a credit against the owner's federal income tax liability.

NO RATING

The Issuer has not and does not contemplate making application to any rating agency for assignment of a rating to the initial offering of the Series 2018 Turbo Bonds.

UNDERWRITING

The Series 2018 Turbo Bonds are being purchased by the Underwriter pursuant to a Bond Purchase Agreement, between the Underwriter and the Issuer (the **“Bond Purchase Agreement”**). Pursuant to the Bond Purchase Agreement, the Underwriter has agreed to purchase the Series 2018 Turbo Bonds at a purchase price of \$_____ (the principal amount of the Series 2018 Turbo Bonds, plus net original issue premium of \$_____, less an Underwriter’s discount of \$_____). The initial public offering price of the Series 2018 Turbo Bonds may be changed from time to time by the Underwriter. The Bond Purchase Agreement provides that the Underwriter will purchase all the Series 2018 Turbo Bonds if any are purchased, and that the obligation to make such purchase is subject to certain terms and conditions set forth in the Bond Purchase Agreement, including, among others, the approval of certain legal matters by counsel.

The Underwriter and its affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, principal investment, hedging, financing and brokerage activities. The Underwriter and its affiliates have, from time to time, performed, and may in the future perform, various investment banking services for the Issuer for which they received or will receive customary fees and expenses,

In the ordinary course of its various business activities, the Underwriter and its affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (which may include bank loans and/or credit default swaps) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments. Such investment and securities activities may involve securities and instruments of Issuer.

MUNICIPAL ADVISOR

The Issuer has retained Springsted Incorporated, Public Sector Advisors of Saint Paul, Minnesota and Kansas City, Missouri, as municipal advisor (the **“Municipal Advisor”**) in connection with certain aspects of the issuance of the Series 2018 Turbo Bonds. The Municipal Advisor has not been engaged, nor has it undertaken, to independently verify the accuracy of the information contained in this Official Statement. The Municipal Advisor is not a public accounting firm and has not been engaged by the Issuer to compile, review, examine, or audit any information in the Official Statement in accordance with accounting or audit standards. The Municipal Advisor is an independent advisory firm, registered as a municipal advisor, and is not engaged in the business of underwriting, trading, or distributing municipal securities or other public securities. The Municipal Advisor will not participate in the underwriting of the Series 2018 Turbo Bonds.

The Municipal Advisor is under common ownership with Springsted Investment Advisors, Inc. (**“SIA”**), an investment adviser registered in the states where services are provided. SIA may provide investment advisory services to the Issuer from time to time in connection with the investment of proceeds from the Series 2018 Turbo Bonds as well as advice with respect to portfolio management and investment policies for the Issuer. SIA pays the Municipal Advisor, as municipal advisor, a referral fee from the fees paid to SIA by the Issuer.

TRUSTEE AND DISSEMINATION AGENT

Security Bank of Kansas City (**“Security Bank”**) is a privately-owned, state-chartered bank located in Wyandotte County, Kansas, and serves as Trustee and Dissemination Agent, and the Financing Documents authorize

the resignation, removal or replacement of Security Bank in each such capacity. Security Bank is authorized by law to exercise corporate trust powers, subject to supervision or examination by federal or state authority, is insured by the Federal Deposit Insurance Corporation and has a combined capital, surplus and retained earnings of at least \$60,000,000.

ADDITIONAL INFORMATION

The definitive forms of the Financing Documents and certain other documents and information as described herein are available at the office of Ms. Kathleen VonAchen, Chief Financial Officer, Municipal Office Building, Suite 330, One McDowell Plaza, 701 North Seventh Street, Kansas City, Kansas 66101 3064, by telephoning (913) 573 5270, or by e-mailing kvonachen@wycokck.org, and will be provided to any prospective purchaser by requesting the same in writing by mail or email, in electronic form at no charge or otherwise upon payment by such prospective purchaser of the cost of complying with such request.

MISCELLANEOUS

The references herein to the Indenture and the other documents related to the transactions contemplated therein are brief outlines of certain provisions thereof and do not purport to be complete. For full and complete statements of the provisions thereof, reference is made to the Indenture and such other documents.

The agreement of the Issuer with the owners of the Series 2018 Turbo Bonds is fully set forth in the Indenture, and neither any advertisement of the Series 2018 Turbo Bonds, nor this Official Statement, is to be construed as constituting an agreement with the purchasers of the Series 2018 Turbo Bonds. Statements made in this Official Statement involving estimates, projections or matters of opinion, whether or not expressly so stated, are intended merely as such and not as representations of fact.

Information set forth in this Official Statement has been furnished or reviewed by certain officials of the Issuer and other sources, as referred to herein, which are believed to be reliable. Any statements made in this Official Statement involving matters of opinion, estimates or projections, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates or projections will be realized. The descriptions contained in this Official Statement of the Series 2018 Turbo Bonds do not purport to be complete and are qualified in their entirety by reference thereto.

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The execution, delivery and use of this Official Statement has been duly authorized by the Issuer.

THE UNIFIED GOVERNMENT OF WYANDOTTE
COUNTY/KANSAS CITY, KANSAS

By: _____
Mayor/CEO

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Appendix A
REVENUE STUDY

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Estimates of Community Improvement District Sales Tax Revenues

Legends Apartments Garage and West Lawn Project
Unified Government of Wyandotte County/Kansas City, Kansas
GAI Project Number: A170485.01

May 2018 – Final Report

Prepared by: GAI Consultants, Inc.
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Prepared for: Unified Government of Wyandotte
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May 11, 2018

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Kathleen VonAchen
Chief Financial Officer
Unified Government of Wyandotte County/Kansas City, Kansas
701 North 7th Street, Suite 330
Kansas City, Kansas, 66101-3064

**Estimates of Community Improvement District Sales Tax Revenues
Legends Apartments Garage and West Lawn Project**

Dear Kathleen:

GAI Consultants, Inc. ("GAI") has completed its analysis of the existing and planned development activities associated with the Legends Community Improvement District. The attached report entitled *Estimates of Community Improvement District Sales Tax Revenues – Legends Apartments Garage and West Lawn Project* summarizes our findings. The study has been completed in accordance with our proposal to the Unified Government of Wyandotte County/Kansas City, Kansas dated March 7, 2018.

Please contact us if you have any questions about this report.

Sincerely,

GAI Consultants, Inc.

Steven McDonald, CVA
Chief Economist

Owen M. Beitsch, PhD, FAICP, CRE
Senior Director

SM/lis

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1.0 INTRODUCTION AND OVERVIEW

1.1 Scope of the Analysis

GAI Consultants, Inc.'s ("GAI") has been retained by the Unified Government of Wyandotte County/Kansas City, Kansas ("UG" or "Client") to prepare estimates of potential sales tax revenue generated within a community improvement district. Kansas law authorizes counties to create community improvement districts as a method of financing economic development-related improvements. These improvements would be financed using a sales tax levy applied to taxable sales or services generated by property located within the defined community improvement district.

On December 12, 2015, a petition was filed with the UG proposing the creation of a community improvement district and requesting the levy of a 0.6 percent sales tax. The UG passed an ordinance on January 7, 2016 creating the district and imposing a sales tax on taxable sales and services. Based on an expansion of the proposed project and adjustments to the cost of economic development-related improvements to be funded with sales tax collections, a second petition was filed with the UG on November 16, 2017 to create a new community improvement district, replacing the original district and levy. On December 21, 2017, the UG passed an ordinance creating the Legends Community Improvement District ("Legends CID") and imposed a 1.0 percent community improvement district sales tax ("CID Sales Tax") on taxable sales and services, pursuant to the Kansas Retailers Sales Tax Act, generated by property located within the Legends CID. The economic development-related improvements to be funded ("Projects") include the Legends Apartments Garage Project and the West Lawn Project, both described in more detail within the Preliminary Official Statement ("POS") dated May 2018.

The Legends CID is located within the larger Village West retail and entertainment area which is 15 miles west of downtown Kansas City, near the intersection of I-435 and I-70. The boundaries of the Legends CID include the Projects as well as certain existing and planned retail, restaurant, hotel, and entertainment uses. The largest portion of existing in-line retail development is operated as the Legends Outlets. The Legends Outlets, a large life-style center owned by W-LD Legends Owner VII, LLC, consists of retail, restaurant, and entertainment activities and venues. In addition to the Legends Outlets, the Legends CID also includes other existing retail, restaurant, services, and lodging uses adjacent to, but outside of the Legends Outlets.

This report describes the general concept and operating history of the existing operators within the Legends CID, the general context in which new operators are expected to open within the Legends CID, and our work effort to consider potential retail sales performance of existing and new operators located within the Legends CID. The report also provides projections of annual sales tax receipts or revenues and the processes involved in that work.

It is understood that this analysis will be used to support the marketing and sale of the UG's Community Improvement District Sales Tax Revenue Bonds (Legends Apartments Garage and West Lawn Project), Series 2018 ("Series 2018 Turbo Bonds"), as authorized under Kansas state law. The Series 2018 Turbo Bonds are proposed to fund the economic development-related improvements located within the Legends CID. Each reader is encouraged to read this analysis in its entirety to understand the assumptions and potential limitations of the analysis.

1.2 Assumptions and Limiting Conditions

This analysis ("Study" or "Report") has been completed in accordance with our proposal to the UG dated March 7, 2018. The objective of the Report is to evaluate the impact of the continued development and operation of establishments within the Legends CID as represented to us by the UG and the developers or operators of the Legends Outlets. This impact is measured specifically in terms of projected retail sales and sales tax collections generated by properties within the Legends CID.

Key assumptions and limiting conditions include the following:

- ▶ This Report and our documentation is intended for the Client's use for purposes of information, general planning, and other activities related to the funding of economic development-related improvements. This Report may be used in its entirety for purposes of marketing, sale, and issuance of public debt or other related agreements or documents. Excerpts or references to the Report in any form must acknowledge that these passages are out of context and the entire report must be considered or viewed.
- ▶ Possession of this Report, or copy thereof, does not carry with it the right of publication. Neither our Report nor its contents, nor any reference to our firm may be included or quoted in any real estate offering or registration statement, or other agreement or document, except those referenced above, without our prior permission. Permission will be granted upon meeting certain conditions.
- ▶ GAI has no present or prospective interest in establishments within the Legends CID or the Legends CID and no personal interest with respect to the parties involved. GAI has no bias with respect to the UG or Legends CID or the parties involved with this engagement.
- ▶ GAI's compensation for this Report is fee-based and is not contingent upon the development or reporting of a predetermined result that favors the cause of the Client or Legends CID or the occurrence of a subsequent event directly related to the intended use of this Report and acceptance of this engagement was not contingent upon developing or reporting predetermined results.
- ▶ Certain data used in compiling this Report was furnished from sources which we consider reliable; however, we do not guarantee the correctness of such data, although so far as possible, we have checked and/or verified the same and believe it to be accurate. There could be small errors of fact based on data and methods of reporting or accounting for that data.
- ▶ The sketches and maps in this Report are included to assist the reader in visualizing the property and are not necessarily to scale or depict all items above or below ground.
- ▶ No responsibility is assumed for legal matters, nor is any opinion on any legal matter rendered in the Report. It is assumed that the Legends Outlets and Legends CID are in full compliance with all applicable federal, state, and local environmental regulations and laws, including zoning and land use restrictions, unless non-compliance is stated, defined, and considered in this Report.
- ▶ No effort was made to determine the possible effects on revenue estimates as they may be influenced by future changes in federal, state, or local legislation, including any bond restrictions, changes in tax structure or tax law, changes in environmental or ecological matters, or interpretations thereof.

- ▶ It is assumed that all required licenses, certificates of occupancy, consents, and other legislative or administrative authority from any local, state, or national government or public entity or organization have been or can be obtained or renewed for any use on which the revenue estimates in this Report are based.
- ▶ It is assumed that there are no hidden or unapparent conditions of the property which would render it more or less usable. The existence of hazardous materials or any other environmental problems or conditions or other defects, which may or may not be present on the property, was not observed or disclosed. No responsibility is assumed for any such conditions, or for any expertise or knowledge required to discover them.
- ▶ GAI was provided data from the UG and the State of Kansas Department of Revenue ("DOR") regarding historical sales and sales taxes of all operators within the Legends CID. Our analysis considers the entire operating history specific to the businesses or uses in place. Generally, the historical sales and sales tax data dates back to 2003.
- ▶ The key operating parameters associated with the Legends Outlets and Legends CID were identified through prior site visits, data supplied by the UG and conversations with the owner and operator of the Legends Outlets. The operating and physical parameters for the operators within the Legends CID were discussed at some length to clarify their content and substance and compared with general or secondary operating data available for the target industry. Potentially competing areas and properties were visited during the prior site visits to evaluate and incorporate their potential impacts on the Legends CID.
- ▶ The facilities now in place or in operation are not speculative, and those that are committed are only speculative to the extent that the operators are not yet open, though individual lease or purchase agreements have been fully executed. The content and emphasis of the anticipated operators as they have been represented to us as of April 2018 are incorporated within our analysis for review, but it should not be construed that we have done market studies for individual users within the Legends CID. GAI reserves the right to alter, amend, revise, or rescind any of the statements, findings, opinions, revenue estimates, or conclusions contained herein if any future market studies require it.
- ▶ Direct operating data was supplemented by data derived from selected Securities and Exchange Commission ("SEC") filings, industry studies or analyses, resources specific to the retail or entertainment industries, and other specialized data available to GAI and related to those operators in the Legends CID or their peer groups. Principal secondary resources include the Census of Retail Trade and County Business Patterns prepared by the U.S. Department of Commerce.
- ▶ The nature of the analysis is such that the expected sales shown over the short term are substantially more reliable than those prepared for periods occurring at points in the future. Uncertainties associated with the specific manner in which the Legends CID may be implemented or managed influence the outcome to a material degree and are discussed in the next Section.
- ▶ GAI has no obligation to update the Report for information or knowledge of events or conditions that become available after the date of the report.

- ▶ Acceptance of, and/or use of, this Report constitutes acceptance of the above limiting conditions and assumptions.

1.3 Forward-looking Statements and Market Risk

The forward-looking statements included within this report are not statements of historical facts, but instead express our estimates or expectations for economic performance or results for future periods or as of future dates, events or developments that may occur in the future, including, without limitation, store opening dates, square footage of retail locations, gross retail sales, long-term growth in retail sales, performance of certain categories of merchandise, shares of taxable sales, long-term occupancy and vacancy factors, and other financial measures or metrics. Forward-looking statements also include statements of plans and objectives for the Legends CID and the assumptions underlying any of the forward-looking statements. The forward-looking statements can typically be identified by the use therein of words and phrases such as "anticipate," "believe," "could occur," "could result," "estimate," "expect," "expectation," "forecast," "intend," "plan," "to be," "will be," "will change," "will come in at," "will continue," "will decrease," "will grow," "will have," "will increase," and "will remain," variations of such words or phrases, other phrases commencing with the word "will" or similar words and phrases denoting anticipated or expected occurrences or results.

In addition, the business operations analyzed within this Report are generally subject to numerous risks, factors, and uncertainties, domestically and internationally, outside of the control of individual operators. One, or a combination, of these risks, factors, and uncertainties could materially affect any of those matters for which forward-looking statements were developed and cause actual results or an actual event or occurrence to differ materially from those results or an event or occurrence described in a forward-looking statement. These factors, which may be global in their effect or affect only some of the market operators, include, but are not limited to:

- ▶ economic, geo-political, capital markets and business conditions, trends and events around the world;
- ▶ consumer confidence, disposable income, credit availability, spending levels, shopping patterns, debt levels, and demand for certain merchandise;
- ▶ trends in consumer shopping habits;
- ▶ new methods for delivery of merchandise purchased by customers;
- ▶ initiatives of competitors, competitors' entry into the general market area, and competitive pressures;
- ▶ the financial performance of individual operators during various periods;
- ▶ customer traffic and average ticket at individual locations;
- ▶ changes in the size of retail markets, including e-commerce markets;
- ▶ currency exchange rate fluctuations;
- ▶ changes in market rates of interest;
- ▶ changes in market levels of wages;
- ▶ National, regional, or local unemployment levels;
- ▶ inflation or deflation, generally and in certain product categories;
- ▶ regional and local transportation, energy and utility costs;

- ▶ commodity prices, including the prices of oil and natural gas;
- ▶ the availability of goods from suppliers and the cost of goods acquired from suppliers;
- ▶ the effectiveness of the implementation and operation of individual operating strategies, plans, programs and initiatives;
- ▶ disruption of seasonal buying patterns in the regional and local market;
- ▶ disruptions in regional or local supply chain;
- ▶ cybersecurity events affecting any disruption in business;
- ▶ retail labor costs, including healthcare and other benefit costs;
- ▶ the size of and turnover in regional and local workforce;
- ▶ delays in the opening of new, or expanded locations;
- ▶ changes in existing tax, labor and other laws, including the enactment of laws and the adoption and interpretation of administrative rules and regulations;
- ▶ governmental policies, programs, initiatives and actions;
- ▶ the possibility of the imposition of new taxes on imports and new tariffs and trade restrictions and changes in tariff rates and trade restrictions;
- ▶ the level of public assistance payments;
- ▶ the timing of federal income tax refunds; and
- ▶ natural disasters, public health emergencies, civil disturbances, and terrorist attacks.

The Report is based on estimates, assumptions and other information related to the above. Such estimates, assumptions or other information were developed from prior GAI research, knowledge of the area, knowledge of the retail and entertainment industry and discussions with the Client and other involved parties. The sources of information and basis of estimates and assumptions are stated in the Report. Since our documentation is based on estimates and assumptions which are inherently subject to uncertainty and variation depending upon evolving events, we do not represent the data as results which would actually be achieved.

1.4 Summary of Legends CID

The Legends CID is located within a 1,600 acre retail, dining, and entertainment area known as Village West, approximately 23 miles from the Kansas City International Airport following along I-435. The larger Village West area is anchored by several major retail users and a complement of entertainment venues which function together to create a destination concept taking advantage of its extraordinary visibility and regional transportation access. Among the major existing retail operators and entertainment venues within Village West are the Nebraska Furniture Mart ("NFM"), Cabela's, the Children's Mercy Park Major League Soccer ("MLS") stadium, the Kansas Speedway, the Hollywood Casino, Schlitterbahn waterpark, and the Community America Ballpark. Supporting these destinations and activities are more than 600 hotel rooms and numerous restaurants.

The boundaries of the Legends CID include certain existing and planned retail, restaurant, hotel, and entertainment uses. The largest portion of existing in-line retail development is operated as the Legends Outlets. The Legends Outlets, a large life-style center, consists of retail, restaurant, and entertainment activities and venues. In addition to the Legends Outlets, the Legends CID also includes other existing retail and restaurant uses in close proximity but outside of the Legends Outlets. A

majority of the leasable space making up the Legends Outlets is currently occupied and existing users have generally established themselves as both regional and national leaders in their respective areas of activity. The Legends CID captures the vast majority of activity within the Legends Outlets with the exception of the AMC Theater. A more detail listing of existing retail, dining, and entertainment operators included within the Legends CID is provided as **Appendix A**.

1.5 Summary of CID Sales Tax Projections

GAI performed detailed analyses on actual sales and sales tax data through December 2017, including historical and seasonal patterns and trends, to project taxable sales and tax revenue amounts for each property within the Legends CID. The term of the CID Sales Tax commences on April 1, 2018 and expires on March 31, 2040. Based on timing of the levy and term of the CID Sales Tax, an approximately 60-day lag in CID Sales Tax collections, and certain timing and dates of the proposed Series 2018 Turbo Bonds, the projection period of this analysis begins on June 1, 2018 and ends May 30, 2040 ("Projection Period"). An individual projection year is therefore a 12-month period from June 1 to May 30 ("Projection Year").

GAI has prepared three sales tax revenue scenarios which, together, act as a form of sensitivity test for the overall analysis. While the moderate sales tax revenue projection is considered most likely for any given Projection Year of the Projection Period, the low and high sales tax revenue scenarios provide a range of possible financial outcomes for the same period. Conditions assumed to create each path of low and high scenarios are not mutually exclusive and do not indicate an either/or path of potential sales tax revenues over the Projection Period. Actual taxable sales would be expected as highly likely to occur between the low and high values.

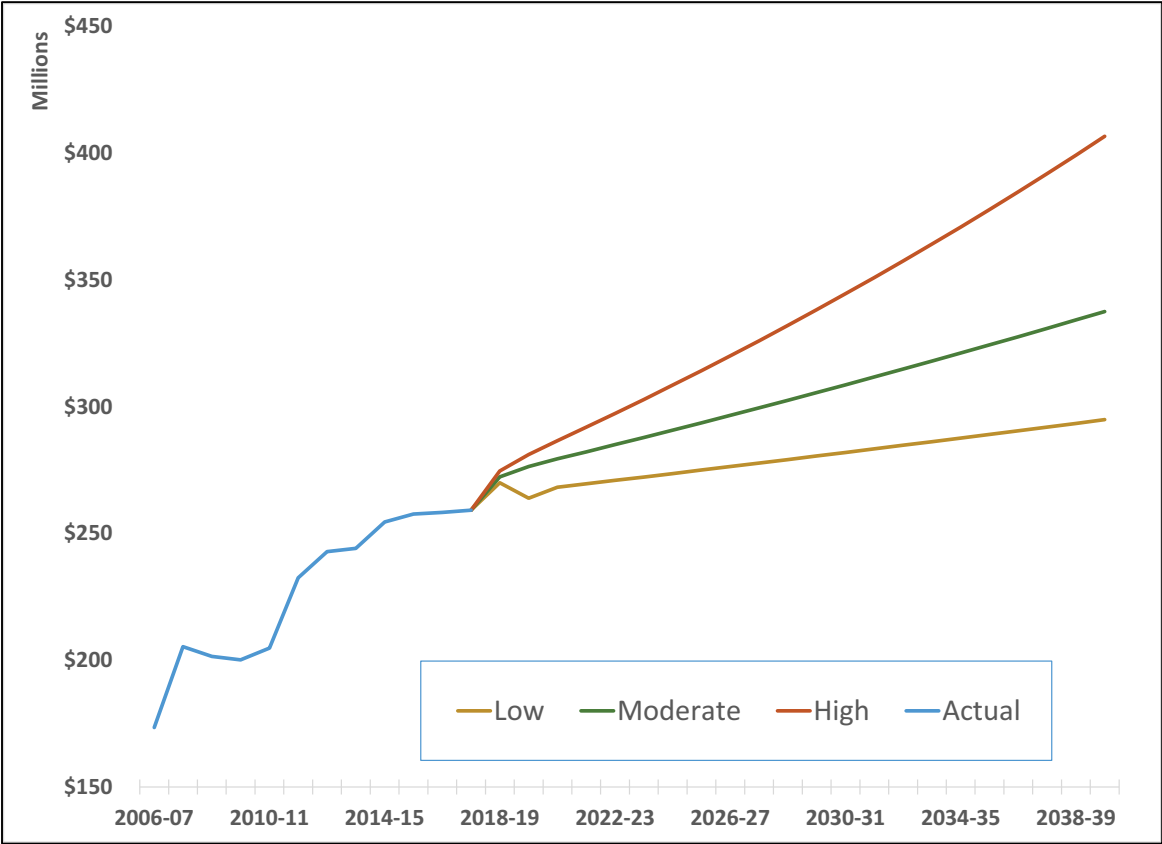
The moderate scenario assumes a relative continuation of historical sales performance and vacancy rates from properties within the Legends CID, including expected sales performance from new operators. Any general disruption of economic activity is considered short-lived and has a minimal impact on the Kansas City region or the retail sector. In this scenario, growth rates for individual operators over the long-term are projected at 1.0% per year over the Projection Period. The moderate scenario represents the most likely outcome for each Projection Year of the Projection Period.

The low scenario considers a high possibility of a general economic recession occurring within the first three (3) years of the Projection Period followed by long-term, minimally acceptable performance as a result of relative market maturity of existing operators, high levels of cannibalization from internal and external retail operations, and high levels of e-commerce penetration. The low sales tax revenue scenario assumes that Legends CID operators are unable to maintain historical growth rates of sales activity. In general, growth rates are projected over the long-term at 0.5% over the Projection Period.

The high scenario assumes no disruption of general economic activity in the near-term or a historically short and shallow recession followed by relatively robust growth. Each existing and new retail operator within the Legends CID would be expected to perform at rates that equal or exceed the most comparable properties operating regionally or nationally and historically as observed. In this scenario, growth rates over the long-term are projected at just under 2.0% per year over the Projection Period. The high scenario is the most synergistic of the three and incorporates optimal general economic conditions and higher than average industry sales.

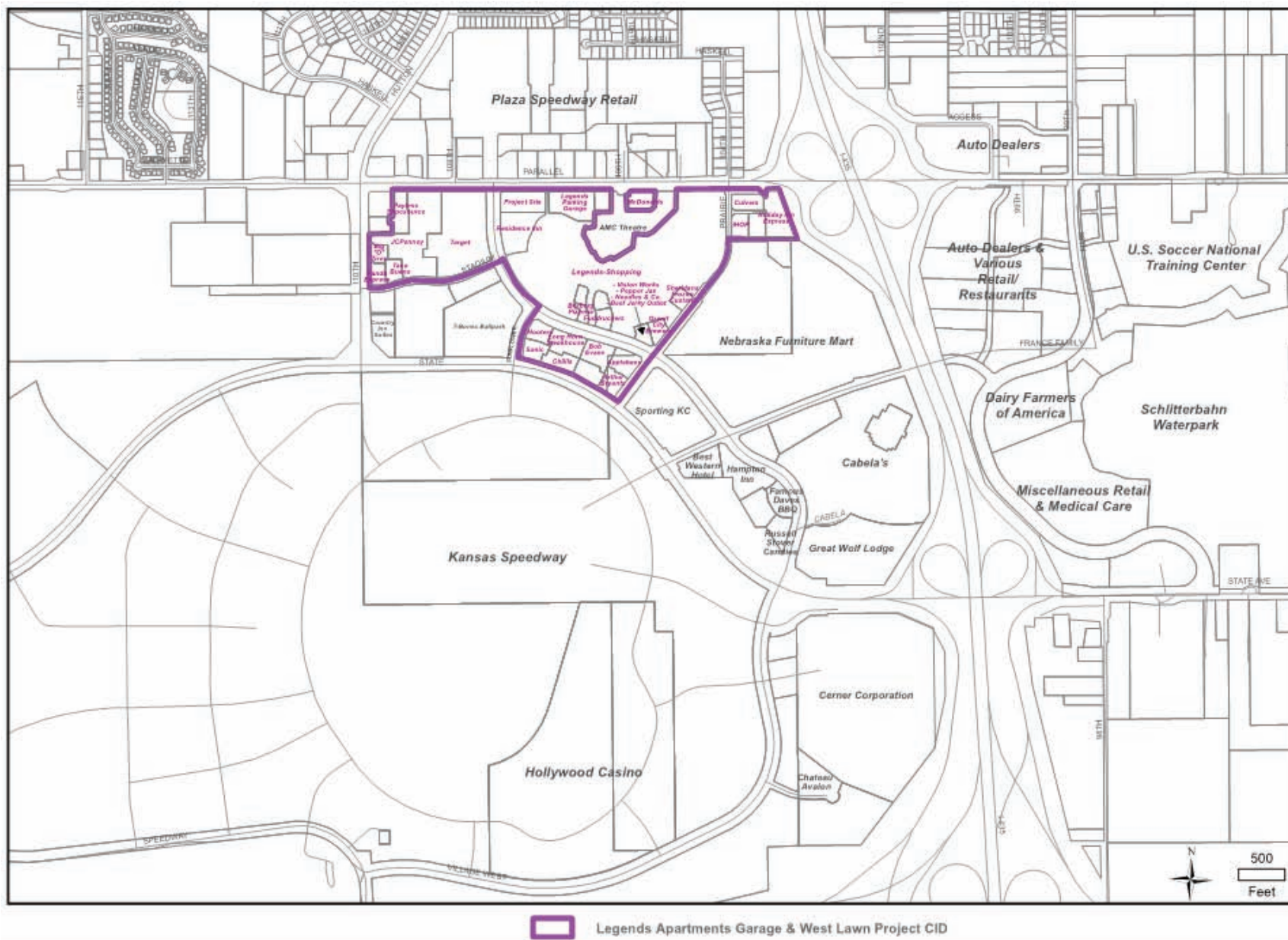
Figure 1-1 below illustrates actual historical taxable sales as well as those taxable sales projected in this analysis that are eligible for the CID Sales Tax generated by the operators listed in **Appendix A**.

Figure 1-1 – Actual and Projected Taxable Sales Eligible for CID Sales Tax



A table including annual projections for each Projection Year is provided in Section 6.0 of this Report.

Figure 2-2 – Relationship of Larger Village West Area and Legends CID



In the earlier years of planning for Village West, the area was largely an undeveloped location within the metropolitan region. However, even then, the existing highway network and road improvements that served Village West provided both superior access and visibility. This road network provides convenient and relatively unrestricted connection with virtually any point in the region, an important consideration given the destination orientation of the current retail operations.

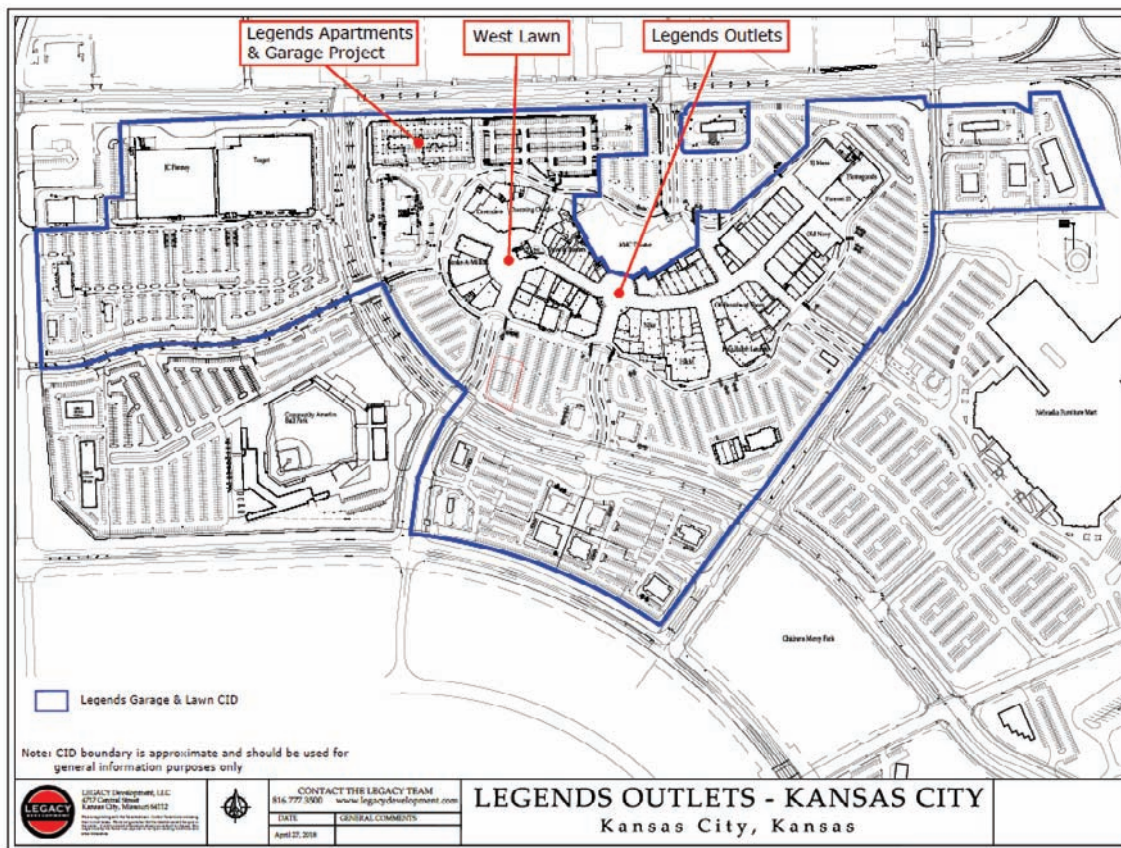
Village West was conceived as a retail destination and has largely been successful in achieving that goal. The proper tenant mix, excellent access, and visibility were critical because Wyandotte County, the host jurisdiction, has been and remains among the region's slowest growing. In contrast, other counties in Missouri and Kansas have shown steady population increases along with higher average household incomes. The combination of strong retail units and a well-developed concept has made the Village West Property a major regional destination, relegating the lower population growth and incomes in Wyandotte County to a materially lesser concern than they would be for operations dependent on nearby household formations.

Village West is adjacent to the Kansas Speedway which is itself a redevelopment project authorized under state law and opened in 2001. The racetrack has historically brought substantial visitation to this area and has materially boosted restaurant sales and bookings at the area's lodging facilities. The Speedway has also contributed to the recognition of the entire area as an entertainment destination.

The implementation and impact of the Village West area master plan is highly dependent on the assumed composition and continued operating performance of several project elements. Real Estate Research Consultants, Inc. (formerly RERC, now part of GAI's Community Solutions Group) completed several analyses for the UG that projected tax revenue for most of the existing operators within the Legends CID. These studies began in 2005, when RERC first reported its findings about the Village West Property, little development had occurred either within or beyond the boundaries of the special district funding the area's major infrastructure improvements. Today is a different situation. The Village West Property anchors have been in place since the 2002-03 time frames with much of the remaining portion of the existing project opening between 2005 and 2006. Although the Legends CID does not include anchors such as Cabela's, NFM, Children's Mercy Park MLS Stadium, and Community America Ballpark, it is adjacent to those operators and will benefit from the many visitors drawn to the area.

The Legends Outlets, a large life-style center located within Village West consists of retail, restaurant, and entertainment activities and venues. A majority of the property making up the Legends Outlets is currently developed and existing users have generally established themselves as both regional and national leaders in their respective areas of activity. The Legends CID captures the vast majority of activity within the Legends Outlets with the exception of a few existing retail and entertainment operators (see **Figure 2-3**). Specifically, the AMC Theater is not included within the Legends CID. A more detail listing of existing retail, dining, and entertainment operators included within the Legends CID is provided as **Appendix A**.

Figure 2-3 – Legends CID Boundaries



Source: Unified Government

As part of the analysis, existing and proposed retail tenants in the Legends CID were assigned to one of four categories.

- ▶ Anchor (Greater than 20,000 SF)
- ▶ Large Format Retail (Greater than 10,000 and less than 20,000 SF)
- ▶ Small Format Retail (Less than or equal to 10,000 SF)
- ▶ Food and Beverage/Entertainment

Based on active, open locations and proposed locations with executed lease agreements, the Legends CID currently captures retail activity from approximately 890,000 square feet (see **Table 2-1**).

Table 2-1 – Legends CID Tenant Categories

Tenant Category	Total Square Feet	% of Total (Sq Ft)
Anchors	343,161	38.5%
Large Format Retail	123,359	13.9%
Small Format Retail	242,649	27.2%
F&B/Entertainment	180,313	20.3%
TOTAL	889,532	100.0%

Source: GAI

The Legends Outlets accounts for 556,688 leased square feet of retail with the balance of 332,844 leased square feet of retail in existing uses outside of the Legends Outlets (not including square feet of lodging uses). As of the date of this Report, within the Legends CID, there is approximately 40,000 square feet of vacant retail space in the Legends Outlets and approximately 12,500 square feet of existing vacant retail space and approximately 12,000 square feet of yet to be developed retail space outside of the Legends Outlets. In addition to the uses listed above, the Legends CID also includes 204 existing hotel rooms between two lodging properties.

For purposes of this analysis, the anchor operators consist of Target, JC Penney, TJ Maxx, H&M, Charming Charlie, HomeGoods, and Off Broadway Shoe Warehouse which make up over one-third of the current program. Small format retail and food and beverage/entertainment are the next largest categories. A detailed list of all current and planned operators can be found in the **Appendix A**.

The following information profiles the major operators within the Legends CID, as well as major adjacent users which, in our opinion, are properly considered in evaluating the long term financial results.

2.2 Target

From its first store in 1962, Target Corporation has become one of the largest retailers in the United States, although it is literally a fraction of the size of Walmart, American's largest business unit. While it ranks among the leading retailers and is, like Walmart, a direct merchant, it has fashioned a niche position as an upscale discounter. In this position, its format and differentiated merchandise has generated a strong consumer following that has transformed its bull's-eye trademark into a universally recognized retail symbol.

Sales were \$69.5 billion for 2016, a decline over sales of \$73.7 billion for 2015. Sales per square foot of U.S. stores were \$290.67 in fiscal year 2016. According to the 2016 annual report, the company currently operates 1,802 stores in the United States. There were 15 new store openings and 5 store closings in 2016. The annual report indicated there were 18 stores in Kansas. Retail sales by product type for 2016 were 22% Household Essentials, 22% Food, Beverage and Pet Supplies, 20% Apparel and Accessories, 19% Home Furnishings and Décor, and 17% Hardlines. Target has four different store types: Target general merchandise stores, expanded food assortment stores, SuperTarget stores, and CityTarget stores.

2.3 JC Penney

Based on its 2016 Annual Report, JC Penney is a department store with 1,060 locations in 49 U.S. states and Puerto Rico. JC Penney operates 19 locations in Kansas. In addition to selling conventional merchandise, JC Penney stores often house several leased departments such as Sephora, Seattle's Best Coffee, salons, optical centers, portrait studios, and jewelry repair.

Most JC Penney stores are located in suburban shopping malls. Before 1966, most of its stores were located in downtown areas. As shopping malls became more popular during the latter half of the 20th century, JC Penney followed the trend by relocating and developing stores to anchor the malls. In more recent years, the chain has continued to follow consumer traffic, echoing the retailing trend of opening some freestanding stores, including some next door to competitors, with certain stores located in power centers. The company has been an Internet retailer since 1998. It has streamlined its catalog and distribution while undergoing renovation improvements at store level.

In January 2015, it was announced that JC Penney would close 39 underperforming stores nationwide and lay off 2,250 employees. That same year, the company announced that it was liquidating its The Foundry Big & Tall Supply Co. chain of standalone clothing stores.

In January 2016, JC Penney announced plans to relaunch its business of selling major appliances for kitchens and laundry rooms. The company moved away from selling major appliances in 1983, but it now plans to return to this business in an effort to target a wave of millennials who are buying first-time homes.

JC Penney announced in early 2017 that it would be closing 138 stores in an effort to cut costs and grow sales at its strongest locations. Of the 138 stores slated to close, five are located in Kansas. However, the store within the Legends CID is not one of the stores that will be closed. The company is focusing on closing stores that are in older and underperforming locations.

2.4 Lodging

The Legends CID currently has a total of 204 rooms in place with the oldest property (Holiday Inn Express) operational since 2005. A 108-room Residence Inn by Marriott hotel opened in January 2016.

In addition to these properties, there are an additional 630 hotel rooms in the Village West area that are adjacent or very near the Legends CID. Other hotels could enter the area if demand warrants, including a 100-room hotel associated with the Children's Mercy Park soccer complex outside the Legends CID. The Hollywood Casino had planned to build a 250 room hotel near the second turn of the Kansas Speedway, though that project has been on hold. The UG has also issued a solicitation for development firms to submit proposals for a convention center with 30,000 to 50,000 square feet of meeting space with an adjacent 225 room hotel. The developers of the proposed American Royal project near Village West have also proposed a 225 room hotel. All of these properties lie outside the Legends CID boundaries. It's unlikely all of these properties would be built but it does show the level of interest in hotel development in the area.

GAI had access to the total taxable sales generated by each lodging operator within the Legends CID. Since 2011, sales growth has been positive with the exception of the 2015 to 2016 period. The Residence Inn opened in January 2016 and may have had an impact on the occupancy levels of other nearby hotels. Generally, the hotels in the Village West Property have performed better than the overall Wyandotte County lodging market in recent years based on information available from the Kansas City, Kansas Convention and Visitor's Bureau.

2.5 Restaurants

There are now 30 restaurants operating within the Legends CID, with most generating revenues well above the industry average. More could be added on remaining or vacant outparcels within the larger project. Those currently open include:

- | | |
|-----------------------------|-----------------------------|
| ▶ Applebee's | ▶ Jazz: A Louisiana Kitchen |
| ▶ Arthur Bryants | ▶ Jose Peppers |
| ▶ Auntie Ann's | ▶ LongHorn Steak House |
| ▶ Bob Evans | ▶ McDonald's |
| ▶ Borberg Pizzeria | ▶ Noodles and Company |
| ▶ Chilis | ▶ Panda Express |
| ▶ Chipotle Mexican Grill | ▶ Panera Bread |
| ▶ Cold Stone Creamery | ▶ Pepperjax |
| ▶ Culver's | ▶ Pizza Studio |
| ▶ Dave & Buster's | ▶ Sheridan's |
| ▶ Five Guys Burgers & Fries | ▶ Sonic |
| ▶ Fuddruckers | ▶ STIX |
| ▶ Granite City | ▶ Sweet Frog |
| ▶ Hooter's | ▶ Taco Bueno |
| ▶ IHOP | ▶ Yard House |

These restaurants, working together, represent a broad tenant mix of both highly-themed entertainment-centric concepts alongside established, branded operators. The combination of unusual venues and national franchises promotes synergy and balance within the overall development as a destination. The branded concepts are likely to continue to meet or exceed their usual operating requirements. The concepts rely upon experienced operators associated with like themes or concepts that have proven extraordinarily popular in other settings but have managed to avoid a saturation point. The past success of most of these highly themed restaurants, in the context of the multiple venues and offerings, provides a favorable backdrop for these concepts but they will still need to establish their specific market presence. The largest of these is Dave & Busters which functions almost as a small theme park or recreation area.

2.6 Other Retailers

Aside from the anchors, there are now about 112 retailers operating within the Legends CID. Several of these operations have been open since 2005. A detailed list of all current and planned operators can be found in the **Appendix A**.

A compelling dimension in the market orientation of operators within the Legends CID is the collection of brand-name company stores and smaller niche operators. Together, they offer a destination shopping experience with the largest number of such retailers in the region. To illustrate, though there may be many GAP units in conventional malls and centers throughout the region, GAP's unit in the Legends CID is, at present, the only GAP company store within the region so it is uniquely positioned

among retail experiences. Taken as a group, these stores work as thematic anchors to the whole project and symbiotically relate to the larger anchors and to other retailers and restaurants.

Among these various retail units are many stores which we would broadly consider to be company stores. These are units, which because of their market position or their ownership, are able to sell their lines of merchandise at aggressively competitive prices.

Other projects could eventually open elsewhere in the region adopting a similar market position. However, the experience of like retail destinations in other settings suggests there is a strong advantage for operators within the Legends CID, which has established first position in the market.

2.7 Other Village West Components or Features

Several areas or activities near the Legends CID have an influence on its potential performance as a destination location. For purposes of this analysis there are no direct potential taxable sales or sales activity associated with these areas or venues. However, visitation at these facilities could lead to increased traffic at the retail and food and beverage outlets within the Legends CID.

Nebraska Furniture Mart (“NFM”). NFM’s Kansas City operation has been open since August, 2003. The operation’s 450,000 SF of retail space represent a significant presence in the market. The store is supported by an additional 675,000 SF of warehouse space on-site. NFM has successfully deployed the physical and operating characteristics that are the mainstay of its original Omaha store, a retail icon for almost eighty years. Both the original and current stores embrace the mix of inventory, product, service, and price that positions them as market leaders in their respective settings. The performance of the Kansas City store indicates that the operation understands its market and is likely to continue the dominance of its retail category. The store is still able to attract customers from over 150 miles away, which demonstrates its strength as a retail destination. Over 1,000,000 customers shop at the store every year, according to management. GAI believes this store will continue to (re)define the context of furniture, appliance, and electronics retailing as it now occurs in the Kansas City regional marketplace.

AMC Legends 14 Theater. The AMC Legends 14 Theater has been open since late 2005. Phoenix Big Cinemas was previously the operator of the Legends Theater, which was taken over by AMC Theaters in December 2015. AMC Theaters, founded in 1920, currently has the largest share of the market, with Regal Entertainment Group and Cinemark Theaters following. With the acquisition of Odeon Cinemas, UCI Cinemas, and Carmike Cinemas in 2016, AMC Theaters became the largest theater chain in the United States and the World. AMC Theaters now has 661 theaters with over 8,200 screens in the United States.

What remains important to the satisfactory operation of the theater is its market position and the operation team’s ability to promote the entertainment content made available in the facility itself. Physically, the theater satisfies demands imposed by the contemporary marketplace. All screening areas within the facility are state of the art with corresponding stadium seating, JVL sound system audio and digital projection. The theater was recently remodeled to include recliner seats.

The cinema has proven to be popular since its opening. Its contribution to the larger project is measured not exclusively by its own revenue stream but also by the visitation and activity drawn to the general location. The analysis assumes a symbiotic relationship between the theater and the general program. As is the case with other components, the theater brings people to the area, affirms the value

implicit in the location, and exposes them to a variety of other entertainment options and to the Legends CID's various retail, dining, and service outlets.

Cabela's. Cabela's Kansas City store has been open since August, 2002. The operation's retail area contains approximately 188,000 SF. Cabela's Incorporated is a national retailer of hunting, fishing, camping and related outdoor merchandise. In December 2016 Cabela's accepted an offer of acquisition from Bass Pro Shops and has since been fully acquired by Bass Pro Shops. A planned 70,000 square foot Cabela's announced to open in Lee's Summit, Missouri, located about 35 miles from Village West, that was expected to open in Fall 2017 or Spring 2018 has been indefinitely postponed.

Children's Mercy Park. Sporting Kansas City, the region's only major league professional soccer club, was one of 10 charter members of Major League Soccer (MLS) that were announced in 1995. A new soccer specific stadium, Children's Mercy Park (formerly Sporting Park), began construction in 2010 and opened in 2011. The new stadium seats 18,467 for soccer and 25,000 for concerts. The new complex enabled the team to host substantially larger crowds which, from the perspective of the Legends CID, materially increased the potential daytime and night time populations available to support the larger areas many other establishments.

Community America Park. Home to the Kansas City T-Bones baseball team, the Community America Ballpark has been operational since 2003. The facility has a capacity of just fewer than 10,400 which includes suites, fixed seats, picnic or berm seating, and standing areas. Fixed seats total 6,600. Stadium capacity was increased in 2008 to accommodate Sporting Kansas City during the years they played in this stadium. The UG purchased the stadium in February of 2014, providing future stability to the baseball team. The T-Bones have been able to sustain their own market and attendance through aggressive promotion and loyal fan support even as the team has obviously benefited from its synergistic location in the Village West Property. A commitment to family entertainment and a well-managed product have contributed to the team's long term success.

Cerner Office Complex. The Cerner Corporation has created a major office complex within the Village West Property. With 660,000 SF of office space on about 58 acres of land, the Village West "Continuous Campus" houses 4,000 jobs. Cerner is a major employer in the Kansas City metropolitan area with some 24,000 employees worldwide. Cerner's business interests focus on information technology solutions for the healthcare industry (HIT), healthcare devices, and the provision of related services. The complex opened in phases, with the first of two eight-story towers opening in 2013, and the second opening near the end of 2014. Cerner is a high paying organization, and it is expected that the 4,000 professional staff at this location will earn wages well above the area's average.

Hollywood Casino. The owners of the Kansas Speedway have partnered with Penn National Gaming in a development to the east and south of the track, outside the Legends CID, that includes a 100,000 SF casino and 28,000 SF of food and entertainment amenities. That phase of the complex opened in February 2012. The casino has performed well since opening and has competed successfully for patrons among the other casinos in the market. Management indicated the casino is drawing up to 2,000,000 people annually. Future phases could include a 250-room Hollywood hotel with 18,000 SF of meeting space, however, management has placed this project on hold. Although the sales occurring here will not contribute directly to tax distributions estimated in this analysis, the casino and its component parts represent another major anchor near the Legends CID which has spillover affects to those other elements which do generate revenue. The casino's visitors add to the day and nighttime populations which already frequent the retail, dining, and entertainment options the Legends CID.

Kansas Speedway. The Kansas Speedway is adjacent to the Legends CID but it lies outside its boundaries. As one the region's largest sports venues, it has its own established base of support. The track is hosts NASCAR Sprint Cup Series night races, as well as a NASCAR Camping World Truck Series race. The speedway also hosts a race in the Chase for the NASCAR Sprint Cup Series for the Hollywood Casino 400, as well as the Kansas Lottery 300. The track can currently accommodate up to 100,000 people. Sellouts for the NASCAR series are common. Although these major events generate the vast majority of race track attendance, the facility has many revenue generating events also scheduled on its calendar. In effect, the facility is a year round attraction which brings people to the area, identifies and positions the Legends CID's location, and exposes the complement of retail, dining, and entertainment options to a significant regional market.

US Soccer National Training Center. ("NTC") A unique multi-sport athletic complex was recently completed that includes the following components: (1) National Training Center - an indoor and outdoor coaching and training and practice facility for multiple sports, including soccer, football, lacrosse, and rugby, which facility shall be utilized for the U.S. Men's and Women's National Soccer Teams and other international teams, and (2) Tournament Fields - a tournament soccer fields complex. The NTC opened in January 2018. These facilities are located on the Vacation Village Property, generally to the East of I-435 and South of Parallel Parkway adjacent to the Legends CID's entertainment and shopping areas and the Schlitterbahn Waterpark. In addition to hosting annual training activities of the US National Soccer Team, facilities within the NTC will be utilized for certain other Olympic sporting activities, certain national and regional tournament use and as a championship venue for youth soccer tournaments. The NTC is located outside the Legends CID boundaries. However, their component parts represent another anchor for the area which could have spillover effects and could add to the populations which already frequent the retail, dining, and entertainment options within the Legends CID.

Schlitterbahn Waterpark. The existing Schlitterbahn Waterpark in Kansas City opened in 2009 and is located on the east side of I-435 from the Legends CID. Schlitterbahn is a leader among the nation's water park operators and fabricators and has constructed the region's largest water park which in itself has created a destination for both residents and visitors to the area. Recent events have led to much speculation regarding the future of this water park. While visitors to the water park may also frequent shops and restaurants within the Legends CID it is not perceived to be a primary driver of foot traffic within the Legends CID.

Legends Auto Plaza. An auto mall is currently in development that would include seven dealerships (including the recently opened Victory Ford, Victory Chrysler/Dodge/Jeep/RAM and Fenton Nissan dealerships) at a location just east of I-435, very near the Schlitterbahn Waterpark. This in and of itself could create another regional/destination shopping magnet that could draw a significant amount of shoppers to the area. The Dairy Farmers of America's 125,000 square foot office building recently opened adjacent to this location. Other uses will most likely include additional retail, restaurants, office, and hotel product, although the nature and size of these developments have not been determined at this time.

The American Royal. We understand that the American Royal currently leases space from facilities owned by the City of Kansas City, Missouri. The organization is in the planning process for a move to the Village West area (outside the Legends CID). A specific time frame for the move or the construction of new facilities has not been established. The new facilities are proposed to include a livestock exhibition hall, indoor/outdoor warm-up arenas, and a main arena with 5,000 permanent seats and

3,200 temporary seats. The American Royal components would primarily be used for agricultural oriented exhibits and shows, including rodeos, as it does at its current location. The arena(s) could also be used for other types of sports and recreational/entertainment events.

2.8 Implications

The combined impacts of Cabela's, NFM, and the athletic activities occurring on site or nearby could conceivably bring several million visitors and customers annually on average to the Legends CID . These numbers, produced by individual operators or viewed in the aggregate, exceed the visitation expected at the typical regional mall. The incremental effects of Sporting Kansas City activity, gaming and Cerner and Dairy Farmers of America employment elevate the day and nighttime populations well above those envisioned just a few years ago. While several major new additions could add to the activity and population on site at the Legends CID, it must be emphasized that certain physical aspects of these additions lie outside the Legends CID boundaries and will not contribute to proceeds that may otherwise be available to support activities of the district.

The larger tenant list comprised of both conventional retailers and company stores gives the Legends CID an observable competitive advantage relative to other projects in the region. Over time, as the location continues to affirm its economic importance, the retail, dining and entertainment components will themselves continue to mature and sustain their own following and base of support.

3.0 GENERAL ECONOMIC CONDITIONS

3.1 Review of Economic Conditions

The current U.S. economy ranks as the 2nd longest expansion since 1945. The current expansionary phase of this business cycle started in July 2009, following the longest U.S. recessionary period ("Great Recession") that lasted 18 months between January 2008 and June 2009. The prior business cycle started with the economy reaching a peak in March 2001 followed by a brief recessionary period of 8 months ending in November 2001. The subsequent economic expansion lasted 73 months, ending in December 2007, marking the beginning of the current business cycle.

Our review of economic conditions therefore generally covers a minimum time frame between 2000 and 2017, if data is available, in order to capture nearly two complete business cycles. This section profiles pertinent economic and demographic information for various geographies including the state of Kansas, Kansas City Metropolitan Statistical Area ("MSA"), and Wyandotte County.

3.2 Population Distribution and Growth

The Kansas City MSA has consisted of a 14-county region since Franklin County was removed in 2013. Five counties, including Wyandotte, are in Kansas and nine are located in Missouri. The MSA has a population of over 2,100,000 with Wyandotte County being the fourth most populated county in the MSA at approximately 165,300 people (see **Table 3-1**).

Table 3-1 - Population by State, MSA, and County (in thousands)

In (000's)	Census		Est. 2017	CAGR 2000-17
	2000	2010		
Kansas	2,688.4	2,853.1	2,913.1	0.5%
Kansas City MSA	1,811.7	2,009.3	2,132.0	1.0%
Wyandotte County	157.8	157.5	165.3	0.3%

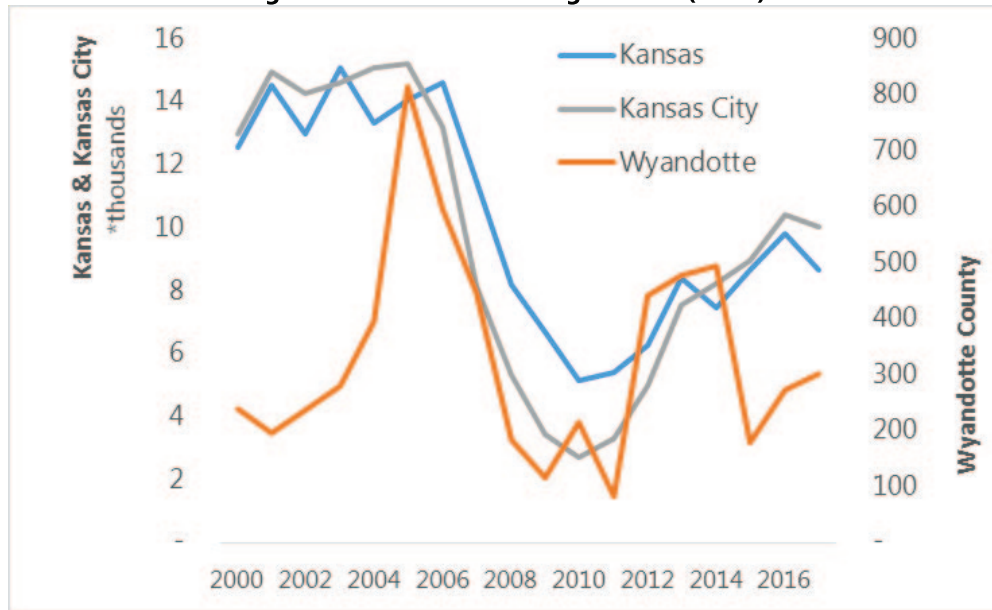
Source: US Bureau of the Census; GAI

From 2000 through 2017, the Kansas City MSA showed a higher growth rate (1.0%) than the state of Kansas and Wyandotte County. The Census figures show a growth rate of 0.5% for the state of Kansas from 2000 through 2017 and a 0.3% growth rate for Wyandotte County for the same time period. Population in all three geographies is anticipated to continue to show steady growth through 2022.

3.3 Residential Construction

Residential construction activity declined beginning in 2005 in Kansas City and Wyandotte County during the nationwide housing market collapse (see **Figure 3-1**). However, it wasn't until 2007 that the State of Kansas as a whole began to experience major declines in permits issued.

Figure 3-1 - Annual Building Permits (Units)



Source: US Bureau of the Census; GAI

Historically, the number of permits issued in Wyandotte County were nominal before the recession. Consequently, the reduction in permits issued was not as drastic as seen at the state or national level. This general pattern in the decline of permits issued was seen throughout the nation as the housing market collapsed and the economy struggled. While there was slight resurgence in housing permits issued in Wyandotte County from 2012 through 2014, there was another decline in 2015. While the state of Kansas and Kansas City have experienced growth in residential permits following the recession years, they have not returned to their pre-recession levels. However, Wyandotte County has returned to the level that they had experienced prior to the recession.

3.4 Employment and Labor Force

A review of Wyandotte County's historical unemployment rate has shown that it has typically been higher when compared to the Kansas City, KS-MO MSA, the State of Kansas, and the nation. The unemployment rate has improved considerably over a high of 11.1% in 2009. Wyandotte County's unemployment rate declined to 5.6% in 2014, but there was a slight increase to 6.1% in 2015, even though the number of employed people actually increased. 2016 saw another decline to 5.7% with the number of employed increasing by just under 300. The increase of over 5,400 jobs between 2014 and 2016 in Wyandotte County is an indicator of job creation and positive signs of improvement. Current employment figures are higher than those in 2000, and there has been positive employment growth since 2011. However, Wyandotte County's unemployment rate continues to be higher than that of the other geographies.

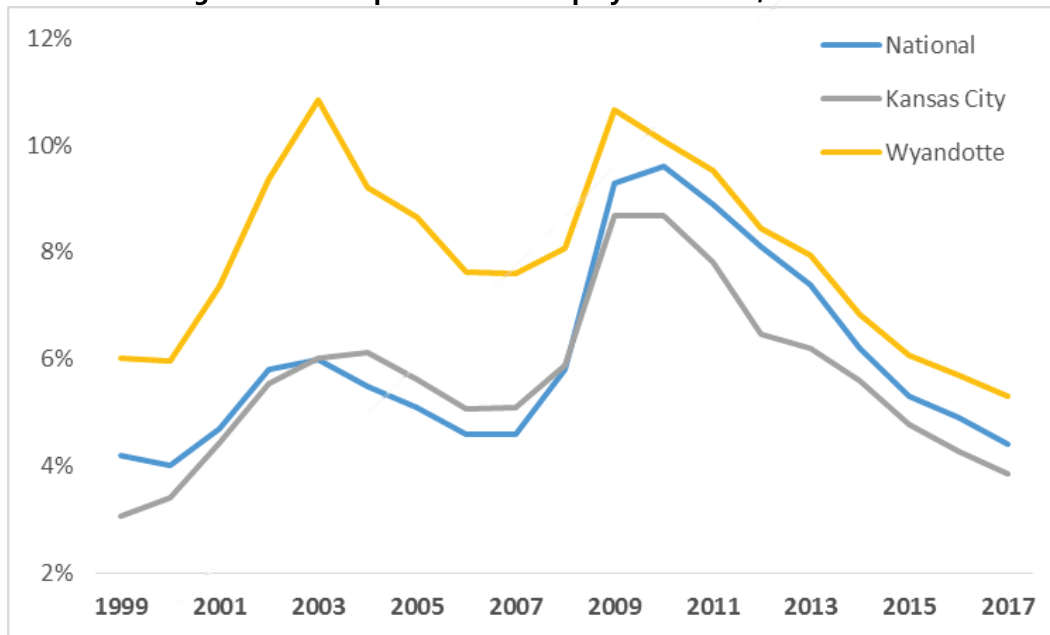
Table 3-2 - Unemployment Rates, Average Annual 2017

Geography	Prior Peak	2017
United States	9.6%	4.4%
West North Central Region	7.3%	3.4%
Kansas	7.1%	3.6%
Kansas City MSA	8.7%	3.8%
Wyandotte County	10.7%	5.5%

Source: US Bureau of Labor Statistics; GAI

The figure on the following page illustrates changes in the unemployment rates over time.

Figure 3-2 - Comparison of Unemployment Rates, 2000-2017

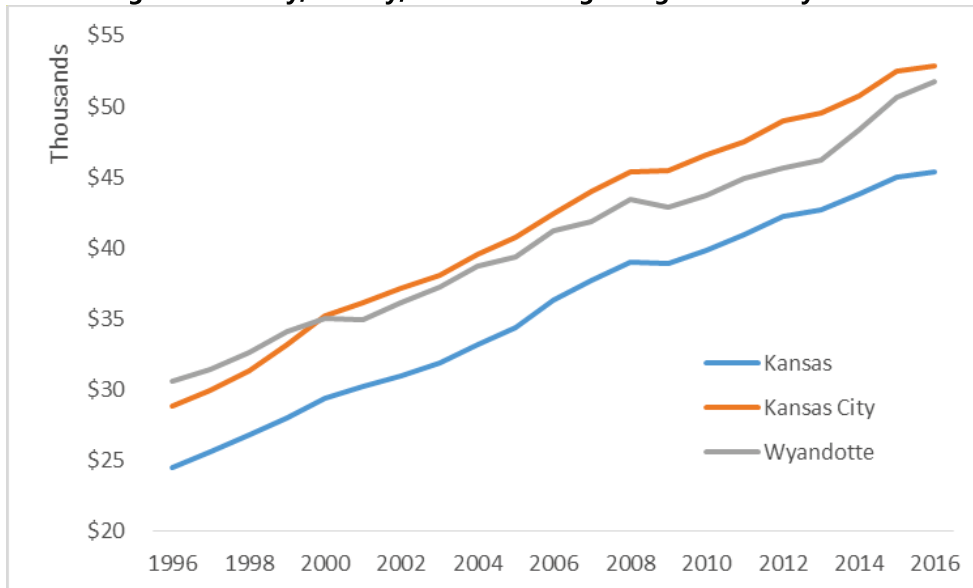


Source: U.S. Bureau of Labor Statistics, <http://data.bls.gov/>; GAI

3.5 Area Income

As shown in the table on the following page, Wyandotte County had an estimated average household income of \$52,102 for 2016. The Kansas City, MO-KS MSA has much higher average and median household incomes when compared to Wyandotte County and the states of Kansas and Missouri. Projections are higher than the 2010 figure with the exception of median household incomes in Wyandotte County, which are projected to decline slightly compared to the 2010 figure.

Figure 3-3 - City, County, & State Average Wage and Salary Rates



Source: US Bureau of the Census; GAI

The table on the following page shows per capita income from 1996 to 2016 and reflects the most recent income data from the U.S. Bureau of Economic Analysis ("BEA"). Of the areas listed, Wyandotte's per capita income is the lowest by a significant margin; and the average annual rate of increase is lower than the other geographies listed in the table.

BEA's per capita income figures allow the user to examine and compare wealth across areas that differ in growth rate, size, and composition. For making regional comparisons over a period of time, per capita income is an extremely useful tool. Per capita income does not attempt to reflect an accurate measure of a typical household's income, but is helpful in assessing trends over various time periods. Per capita income is calculated by dividing the total personal income of an area by its population. Personal income is derived from net earnings, dividends, interest, rents and transfer payments (such as money from social security and aid to families, but excluding income from private-payer retirement/pension programs). This is a good indicator that income is improving.

Table 3-3 - Per Capita Income/Average Earnings per Job

	Per Capita Income			Average Earnings per Job		
	1996	2016	CAGR	1996	2016	CAGR
Kansas	23,703	47,228	3.5%	27,620	51,352	3.1%
Kansas City MSA	26,126	48,514	3.1%	32,908	57,663	2.8%
Wyandotte	17,538	30,508	2.8%	35,152	59,948	2.7%

Source: US Bureau of Economic Analysis; GAI

3.6 Implications

Wyandotte County has experienced recent job gains but unemployment is still noticeably higher than the MSA, State, and National levels. Additionally, incomes in Wyandotte County remain more modest, but have improved as the recovery from the recession has continued.

The many unusual and well themed operations are part of the destination package that has been created within the Legends CID and other adjacent areas of the Village West Property, enabling it to compete on a different level. This ability to draw patrons from more distant areas within the region alleviates the need to rely exclusively on the closest population base. The existing concentration of commercial development within the Legends CID and adjacent areas of Village West has proven its ability to attract both nearby and more distant users, a combined source of support that could only be enhanced through additional residential development and greater local population growth.

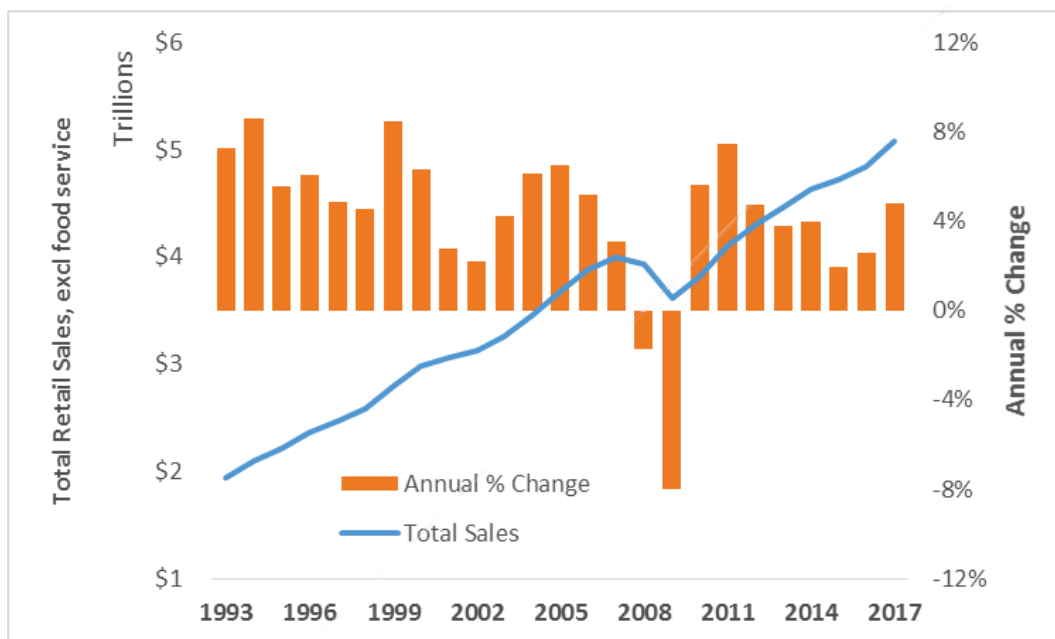
4.0 INDUSTRY CONTEXT AFFECTING THE ANALYSIS

This section includes a discussion of pertinent industry trends impacting current or committed components of the Legends CID.

4.1 Trends in the National Retail Industry

The US Retail industry (total retail sales excluding food service and drinking places) has generally continued to expand between 1992 and 2017, growing from \$1.8 trillion to slightly less than \$5.1 trillion, representing a compound annual growth rate ("CAGR") of 4.2% (see **Figure 4.1**).

Figure 4.1: US Retail Industry 1993 – 2017



Source: National Retail Federation; GAI

The only exception has been the period of the Great Recession which produced a nearly 10% decline in total retail spending over a two year period between 2008 and 2009.

Over the last several years, annualized changes in retail sales appear to have been largely a function of both inflation and net store openings. Although not all stores survived the most recent recession, industry growth has continued following the downturn. Indeed, sales figures are ahead of inflation even as many retailers have closed stores. What remains speculative is the rate of future growth and the speed at which spending mounts as the economy continues to expand. Based on the most recent data available so far, sales are increasing between 1% and 4% annually based on the type of sales being measured and appear to have generally gone back to a more normal growth pattern seen in the pre-recession years.

Within the broad retail sector, several large firms dominate the industry. In 2016, the most recent year for which comparable information is available, the top 10 retailers generated more than \$1.0 trillion in

annual sales, accounting for nearly one-fourth of all sales. Among the top 10 largest retailers are a variety of home improvement, department, discount, and grocery stores that have come to define the face and focus of retail trade throughout the world (see **Table 4.1**).

Table 4.1: Selected Information on Top 10 Retailers (2017 Rankings based on 2016 Sales)

Rank	Store	Sales (mils)	Y-O-Y Growth	Number of Stores
1	Wal-Mart Stores	\$ 362,815	2.7%	5,284
2	The Kroger Co.	110,215	6.1%	3,825
3	Costco	85,778	2.7%	497
4	The Home Depot	85,086	7.3%	1,965
5	CVS Caremark	81,482	13.0%	9,769
6	Walgreens Boots Alliance	79,283	3.5%	8,053
7	Amazon.com	77,024	24.6%	3
8	Target	69,495	-5.9%	1,802
9	Lowe's Companies	60,409	5.0%	1,831
10	Albertsons Companies	58,696	0.1%	2,392

Source: National Retail Federation; GAI

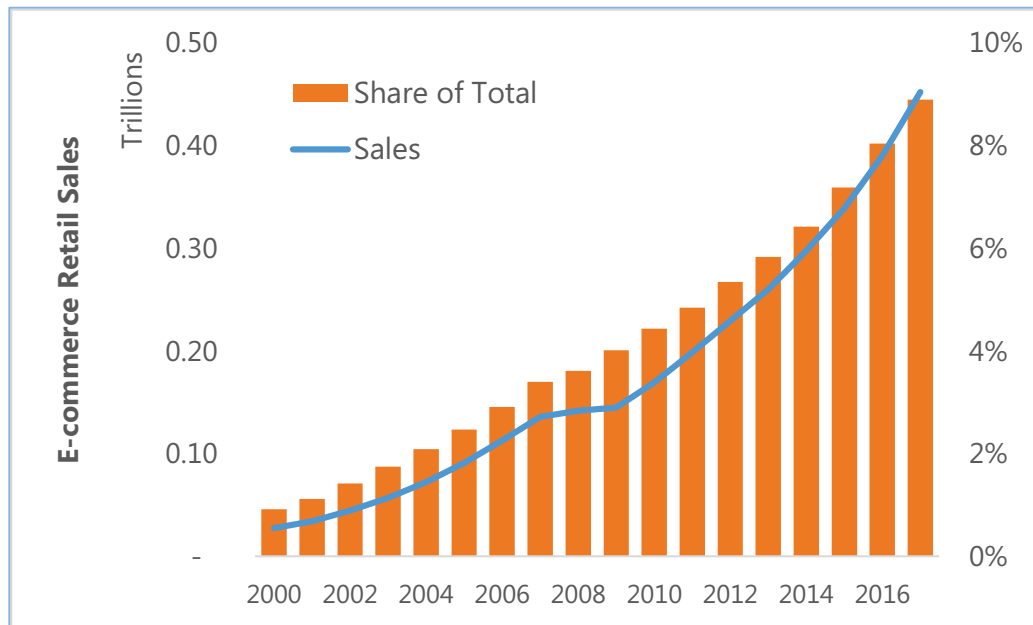
Included in the companies on this list is Walmart, which is seen as an icon in the retailing industry. This group is relatively diverse, representing hard goods (appliance, furniture, building materials) and soft goods (primarily fashion and other non-durables). Walmart is clearly the industry leader. Walmart is among the largest companies in the U.S. Solidly in the number one spot, Walmart has three to four times the sales as Kroger, the company that ranks number two.

Potentially atypical in its size, Walmart does indicate the power of America's retailing industry. Unlike Sears Holdings which has a 100-year operating history, Walmart dates only to 1962. Target, Kohl's, Best Buy, and others are relatively new players among the group of giants. Target, for example, opened its first store in 1962 and its first superstore in 1999.

4.2 E-Commerce Retail Sales

The volume of internet based retail sales has grown significantly over the past two decades. Total E-commerce retail sales have increased from slightly more than \$27 billion, accounting for less than 1% of total US retail sales, to nearly \$500 billion in 2017, representing just under 9% of total US retail sales (see **Figure 4.2**).

Figure 4.2: US Retail Industry, E-commerce Sales, 2000 – 2017



Source: National Retail Federation; GAI

The shift from traditional retailing to the acceptance and demand for on-line options has significantly changed how retailers interact with customers as well as changing the retail landscape by creating companies such as Amazon which are solely focused on delivering e-commerce retail sales. This market shift and the possibility that e-commerce could eclipse more than 50% of total retail sales volumes over the next 20 years given current growth trends, makes this topic important in the context of future retail growth, particularly with traditional retail channels.

Many retail brands are addressing the growth of e-commerce by implementing omni-channel strategies. Omni-channel is recognized as a cross-channel business model and content strategy that targets improving customer experiences with integrated on-line and traditional retail channels. Typical omni-channel strategies attempt to allow customers to move from channel to channel with seamless transitions, even within the same transaction. Some retailers report a significant proportion of customers conducting research on-line before making an in-store purchase. In addition, for those goods picked up in-store, a measurable proportion of customers elect to purchase additional products when they arrive in the store.

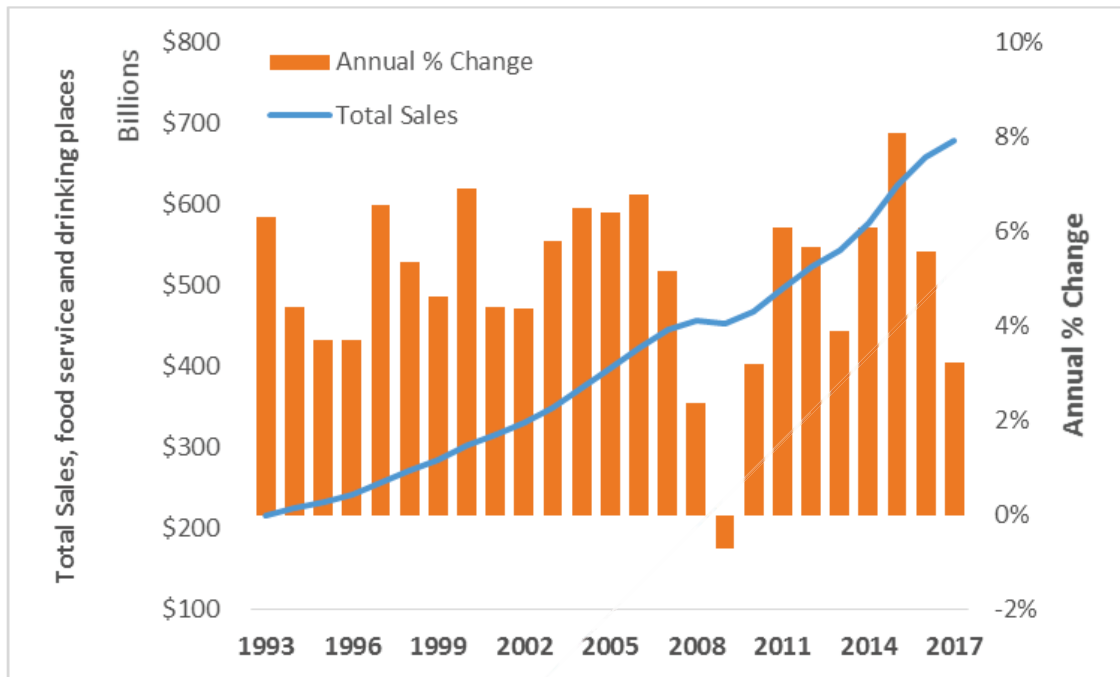
As a result, the long-term growth of e-commerce channel sales is not expected to reflect a trade off with traditional retail demand. While there will be some loss in demand for traditional retail space over the long-term, the majority of top retail brands adopting omni-channel strategies is expected to protect and enhance traditional retail channels.

4.3 Trends in the National Restaurant Industry

The US Restaurant industry (food service and drinking places) has also generally continued to expand between 1992 and 2017, growing from \$200 billion to more than \$576 billion, representing a CAGR of 5.0% (see **Figure 4.3**). Similar to retail sales, the only exception has been the period of the Great

Recession. However, the decline in food service and drinking places was more moderate at slightly less than a 1% decline in total spending.

Figure 4.3: US Restaurant Industry 1993 – 2017



Source: National Retail Federation; GAI

On the restaurant front, the patterns of business activity are similar to those experienced by the nation's leading retail chains (see **Table 4.2**). That is, a handful of large operators set the tone for the balance of the food service industry. There were ten food services corporations represented in the National Retail Federation 2017 ranking of America's 100 largest retailers corporations, which is based on audited 2016 sales information.

Table 4.2: Selected Information on Top Food Service (2017 Rankings based on 2016 Sales)

Rank	Store	Sales (mils)	Y-O-Y Growth	Number of Stores
12	McDonald's	\$ 36,389	1.50%	14,155
29	Starbucks	15,775	11.70%	13,172
33	Subway	13,945	0.30%	26,932
42	Burger King Worldwide	10,702	3.50%	8,121
46	YUM! Brands	9,432	-51.30%	17,504
50	Wendy's	8,975	0.30%	5,739
52	Dunkin' Brands Group	8,830	7.60%	11,366
64	Darden Restaurants	6,907	2.50%	1,538
65	DineEquity	6,879	-4.80%	3,495
70	Chick-fil-A	6,437	4.90%	2,112

Source: National Retail Federation; GAI. Note: Rank reflects ranking within total retail category.

As with the major retailers, a single name stands well above the rest in terms of universal name recognition, scale, and production. McDonald's revenues are nearly four times those of Yum! Brands, which includes three recognizable chain names: KFC, Taco Bell, and Pizza Hut. Although there are some full service casual restaurants, the list of giants is dominated by fast food outlets such as Taco Bell which provide a narrow range of menu options and virtually no alcohol.

Restaurants have become an important and essential ingredient of the American lifestyle. According to the National Restaurant Association, the restaurant industry's share of the U.S. food dollar has grown from 25.0% in 1955 to 47.0% in 2015. The National Restaurant Association has forecasted in its 2017 report that 2017 sales would increase 4.3% over 2016 levels, which would be the eighth consecutive year of real growth in sales.

There is a high degree of competition in the food and beverage industry which historically has seen low profit margins. The industry is dependent on discretionary spending, and many participants in the industry have pursued growth through acquisition in lieu of building new units. This provides a larger revenue base over which to spread costs and leverage to keep supplier costs down.

4.4 Trends in Per Capita Demand

As the industry has sought to develop new retailing approaches, total per capita sales have generally increased above the rate of inflation (see **Table 4.3**).

Table 4.3 - Estimated Retail and Restaurant Sales per Capita

Year	Per Capita Sales		Annual % Change		CPI
	Retail	Restaurant	Retail	Restaurant	
2008	\$ 13,455	\$ 1,949	1.1%	1.5%	3.8%
2009	12,473	1,919	-7.3%	-1.5%	-0.3%
2010	12,925	1,964	3.6%	2.3%	1.6%
2011	13,725	2,067	6.2%	5.3%	3.1%
2012	14,021	2,151	2.2%	4.1%	2.1%
2013	14,243	2,213	1.6%	2.9%	1.5%
2014	14,580	2,326	2.4%	5.1%	1.6%
2015	14,470	2,486	-0.8%	6.9%	0.1%
2016	14,637	2,596	1.2%	4.4%	1.3%
2017	15,254	2,663	4.2%	2.6%	2.1%

Source: National Retail Federation; GAI

Not surprisingly, 2009 year-end retail sales figures showed a decline in per capita sales. Despite the recession not officially ending until June 2009, annual growth occurred in the following year. Further growth in 2011 through 2017 is a good indicator that retail activity is stabilizing and may continue on the upward trend once again. While retail sales per capita saw a slight decline from 2014 to 2015, restaurant sales per capita experienced an increase higher than any achieved in the last 16 years. Except during the recession, total estimated per capita retail sales have historically shown steady growth during the last 16 years, with 2017 having the highest dollar amount of retail sales and restaurant sales compared to any other year.

4.5 Implications

Retail sales have grown annually between about 1.4% and 7.5% since 2010. Following the period of sales decline from 2008 through 2009, sales started rising again in 2010. Retail sales have continued to remain positive from 2010 through 2016. This signals that consumer demand has generally recovered from the declines that occurred in the recent recession. Restaurant sales have also generally recovered from the declines suffered during the most recent recession. Average annual growth in restaurant sales has ranged from about 3.0% to 8.0% since 2010.

5.0 REGIONAL AND LOCAL RETAIL CONDITIONS

5.1 Summary of MSA Market

The retail inventory of space in the Kansas City, MO-KS MSA within centers comprised of more than 50,000 SF totaled approximately 65,048,000 SF and was about 92.7% occupied. The concentration and distribution of that inventory are shown in the following table.

Table 5-1 - Retail Inventory and Occupancy, Kansas City Metropolitan Area

Submarket	2016 Sq Ft	2017 Sq Ft	% Change	2016 Occupancy Rate	2017 Occupancy Rate
Northwest Kansas City	4,515,302	4,515,302	0.00%	94.5%	94.2%
Northeast Kansas City	7,328,148	7,370,435	0.58%	89.3%	91.2%
Central Kansas City	2,639,931	2,639,931	0.00%	97.1%	97.0%
South Kansas City	4,711,266	4,753,193	0.89%	88.3%	89.5%
Southeast Trade Area	5,695,068	5,738,774	0.77%	94.0%	93.7%
East Jackson County	11,155,113	11,254,233	0.89%	92.8%	90.7%
North Johnson County	11,639,837	11,658,561	0.16%	91.4%	94.0%
South Johnson County	12,977,067	13,201,824	1.73%	92.2%	92.7%
Wyandotte County	3,915,740	3,915,740	0.00%	94.0%	94.6%
Total Metro Area	64,577,472	65,047,993	0.73%	92.2%	92.7%

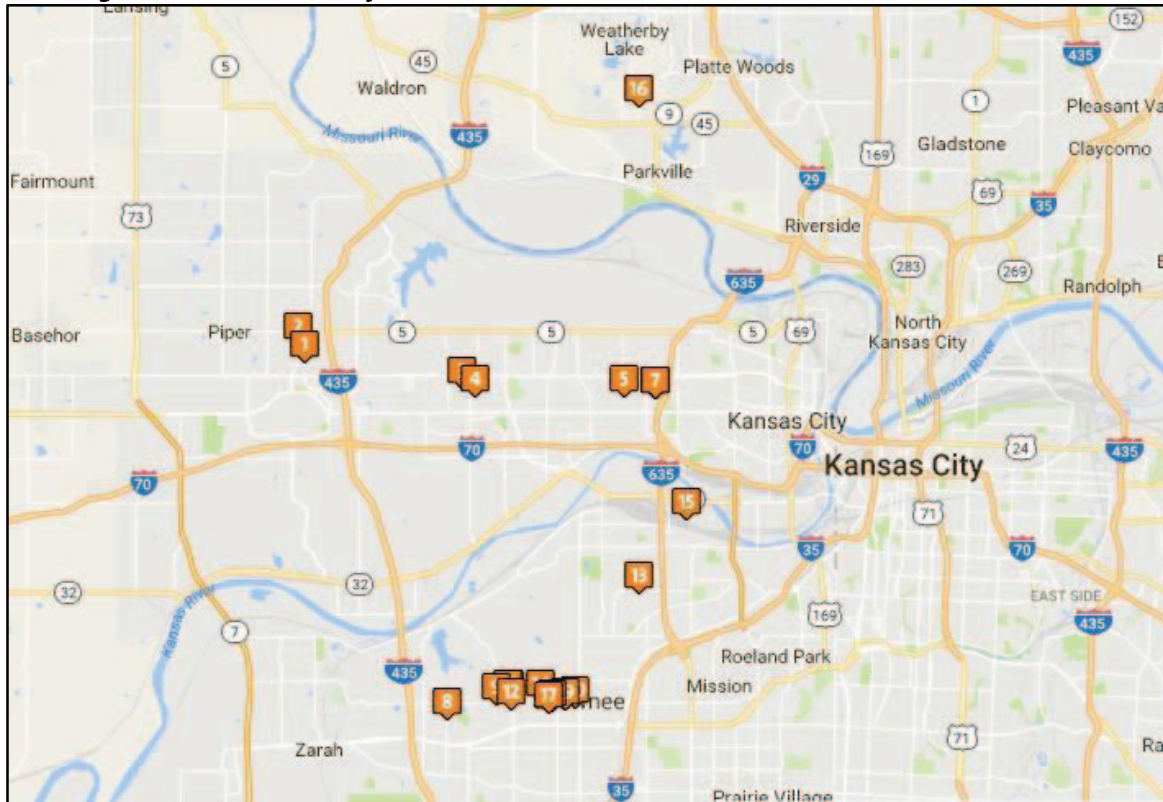
Source: LANE4 Kansas City Retail Report, 2018.

The figure on the following page shows the location within the MSA of the submarkets noted in the above table.

5.2 Summary of Local Retail Market

The map below (**Figure 5-2**) and the table on the following page (**Table 5-2**) profiles major retail concentrations that are within a 10 mile radius of the Legends CID.

Figure 5-2 - Selected Major Retail Concentrations within a Ten Mile Radius of the CID



Source: ICSC; GAI

Table 5-2 - Selected Major Retail Concentrations within a Ten Mile Radius of the Legends CID

Map #	Distance From Site	Center Name	Center Size Sq. Ft.	Street Address	City
1	Site	Legends Outlets *	1,000,000	1843 Village W Pkwy	Kansas City, KS
2	0.4	Plaza at the Speedway	850,000	10730 Parallel Pkwy	Kansas City, KS
3	3.7	Wyandotte Plaza	181,062	7600 State Ave	Kansas City, KS
4	3.9	West State Plaza	93,973	7523 State Ave	Kansas City, KS
5	7.3	State 50 Shopping Center	104,591	4835-4953 State Ave	Kansas City, KS
6	8.0	State Avenue Plaza	167,301	4301 State Ave	Kansas City, KS
7	8.0	Grocery Anchor	54,500	4301 State Ave	Kansas City, KS
8	8.6	Shawnee Station	440,000	15500 Shawnee Mission	Shawnee, KS
9	8.8	Widmer Shoppes	31,737	13705 W 63rd St	Shawnee, KS
10	8.9	Mill Creek West Shopping Center	35,569	13111 W 62nd Ter	Shawnee, KS
11	8.9	Millcreek Shopping Center	118,458	13320 W 62nd Ter	Shawnee, KS
12	9.1	Shawnee Parkway Plaza	92,213	13201 Shawnee Mission	Shawnee, KS
13	9.2	Shawnee Plaza Shopping Ctr	69,221	2737-2821 S 47th St	Kansas City, KS
14	9.3	10 Quivira Plaza	162,382	12230 W 63rd St	Shawnee, KS
15	9.4	Silver City Shopping Ctr	51,500	3104-3118 Strong Ave	Kansas City, KS
16	9.5	Parkville Commons	109,428	9107 Northwest Hwy 45	Kansas City, MO
17	9.6	Shawnee Marketplace	80,591	6485-6495 Quivira Rd	Shawnee, KS
18	9.6	Shawnee Village Shopping Center	131,539	6451 Quivira Rd	Shawnee, KS
19	9.8	Parkway Shopping Center	88,495	11215 Shawnee Mission	Shawnee, KS
20	9.9	Shawnee West Center	31,394	10905 Shawnee Mission	Shawnee, KS
Total Square Feet			3,593,954		

Notes: * The "Legends Outlets" is a general market description that includes both the Legends Outlets as defined within this report and the surrounding retail uses not controlled by the same owners. Source: ICSC; GAI

The shopping centers shown in the table and map above do not necessarily reflect all of the retail space in close proximity to the Legends CID, but is meant to represent the larger centers located within a ten mile radius. Plaza at the Speedway is the closest shopping center but its focus is more value oriented shopping with a Walmart Supercenter and Sam's Club as principal anchors, along with a Kohl's, Taco Bell, Olive Garden, Red Lobster, Chick-fil-A, and Wendy's. The next closest retail center is Wyandotte Plaza, located about 3.7 miles from the Legends CID, anchored by Price Chopper, Dollar Tree, Marshalls, PetSmart and Five Below. Wyandotte Plaza recently underwent a significant renovation.

Most of the other centers are located within 10 miles of the Legends CID are further to the south or east of the Legends CID at the edge of the 10 mile radius. The centers located to the south of the Legends CID are largely concentrated in Shawnee which is a substantial suburb with an abundance of

single-family and multi-family homes, accordingly the retail centers located in this area are largely neighborhood or community retail in nature. The only exception is Shawnee Station which is the second largest shopping center in the 10 mile radius behind Legends CID, at 440,000 square foot Shawnee Station contains a Target, Office Max, Michaels, and Bed, Bath & Beyond. Even with the presence of Shawnee Station this concentration of retail centers does not include any destination retail and entertainment centers like the Legends CID. The centers located to the east of the Legends CID are not concentrated in a specific area. These centers are either grocery anchored, older strip centers, or experiencing vacancy of anchor spaces. None of these centers are much larger than 100,000 square feet, and serve the function of neighborhood retail centers.

Additional retail and commercial development is planned for acreage immediately to the east of the Legends CID on the east side of I-435. In addition to the NTC project already discussed, an auto mall is currently in development that will eventually total seven dealerships (including the recently opened Victory Ford, Victory Chrysler/Dodge/Jeep/RAM and Fenton Nissan dealerships) at a location just east of I-435, very near the Schlitterbahn Waterpark. This in and of itself could create another regional/destination shopping magnet that could draw a significant amount of shoppers to the area. The Dairy Farmers of America's 125,000 square foot office building recently opened adjacent to this location. Other uses will most likely include additional retail, restaurants, office, and hotel product, although the nature and size of these developments have not been determined at this time.

The patterns and concentrations of retail development identified by GAI over the years have not changed materially. As the Legends CID and the Village West Property approach planned built out, the strategy to distinguish the property as a destination has proven to be a viable one as reflected in its tenancy and its performance in a market which has undergone expansion. No new centers of this scale – certainly not with its mix of stores and anchors – are attempting to challenge the Legends CID and the Village West Property. What seems most pertinent, given the relatively unchanged patterns of regional retail activity, is that there is much synergy at this location.

5.3 Development of Retail Activity within the Legends CID

The Legends CID broader market area delineated by the Village West area is comprised of properties or project elements which fall both inside and outside the boundaries of the Legends CID. Although relationships among the many parts of the larger area may confer certain advantages to the Legends CID, only revenues received from activities inside the Legends CID boundaries accrue to the benefit of the economic development-related improvements. The sales tax revenue projection contained within this report is therefore based only on revenues generated from properties within the Legends CID.

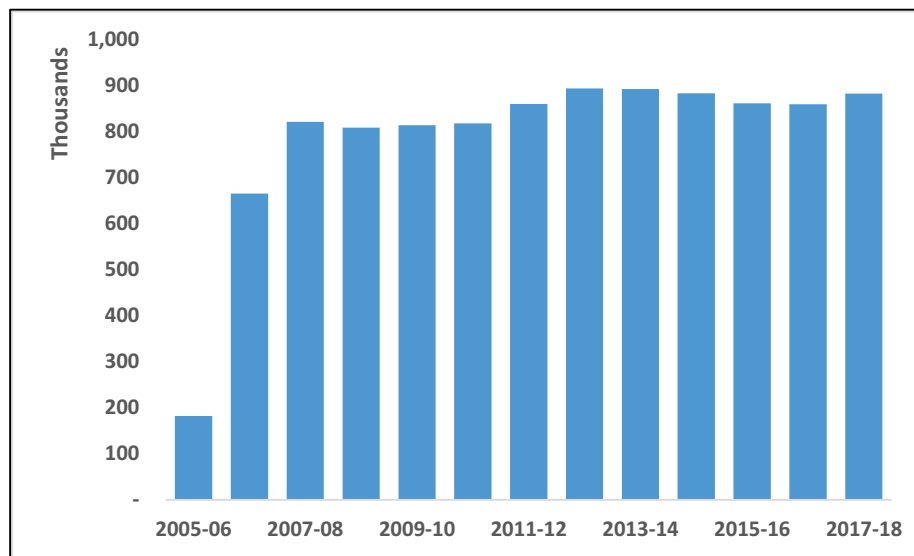
Appendix A provides a detailed list of properties included within the Legends CID as adopted by the UG.

This section describes the operating history of existing properties located within the Legends CID. The largest portion of existing in-line retail development within the Legends CID is operated as the Legends Outlets. The Legends Outlets, a large life-style center, in total consists of approximately 685,000 leasable square feet of retail, restaurant, and entertainment activities and venues. The Legends CID captures the vast majority of activity within the Legends Outlets with the exception of the 88,000 square feet theater (see **Figure 2-3** and **Appendix A**) reflecting total leased and vacant square feet of approximately 596,000 within the Legends CID. In addition to the Legends Outlets, the Legends CID also includes approximately 360,000 total leasable square feet of existing and future retail, restaurant, and services in close proximity but outside of the Legends Outlets, with approximately 24,500 currently

vacant or yet to be developed. In addition, 204 existing hotel rooms in two lodging properties outside of the Legends Outlets are included in the Legends CID.

A few existing retail locations within the Legends CID began operations as early as 2003. The Legends Outlets officially opened in spring 2006. By 2006-07, the locations within the Legends CID included more than 665,000 square feet of active, operating retail locations (see **Figure 5-3**).

Figure 5-3 – Average Annual Operating Square Feet



Notes: Operating square feet reflects active retail locations, not total available space.
Source: UG, GAI

The owners and operators of the Legends Outlets have continued to expand and improve utilization of developed space. Overall, between 2006-07 and 2016-17, total active, operating square feet within the Legends CID increased by nearly 200,000, totaling nearly 860,000. Increases in activity did not materially increase after 2010, reflecting a slowdown in growth from the significant recessionary period between 2008 and 2009.

Total active, operating square feet declined slightly in 2016-17, mainly from planned renovations and additions to locations within the Legends Outlets. Initiatives to maintain and increase utilization of space within the Legends Outlets continue with significant openings and additions occurring between 2017 and 2018 (see **Table 5-3**).

Table 5-3 – Legends Outlets, Retail Openings and Additions 2017-18

2017-18 Closings		2017-18 Openings/Additions	
Operator	Sq Ft	Operator	Sq Ft
Saks Fifth Avenue	25,025	HomeGoods	20,150
T-Rex	17,000	H&M	25,025
Sanford & Sons	6,675	Under Armour *	6,000
Amini's Galleria	6,000	Michael Kors	5,400
Pac Sun	4,002	Vans Off the Wall	4,002
Stride Rite	3,998	Kate Spade	3,550
Clark's Bostonian	3,394	Sweet Charlies	2,995
Sportznutz	2,916	Dapper Doughnut	507
Kitchen Collection	2,297	Sportibles	2,895
Watch Station	1,471	Legend Nails	2,561
		Journeys	2,340
		Beef Jerky Outlet	1,600
		Uniform Destination *	1,470
		Topsy's *	1,240
TOTAL	72,778	TOTAL	79,735

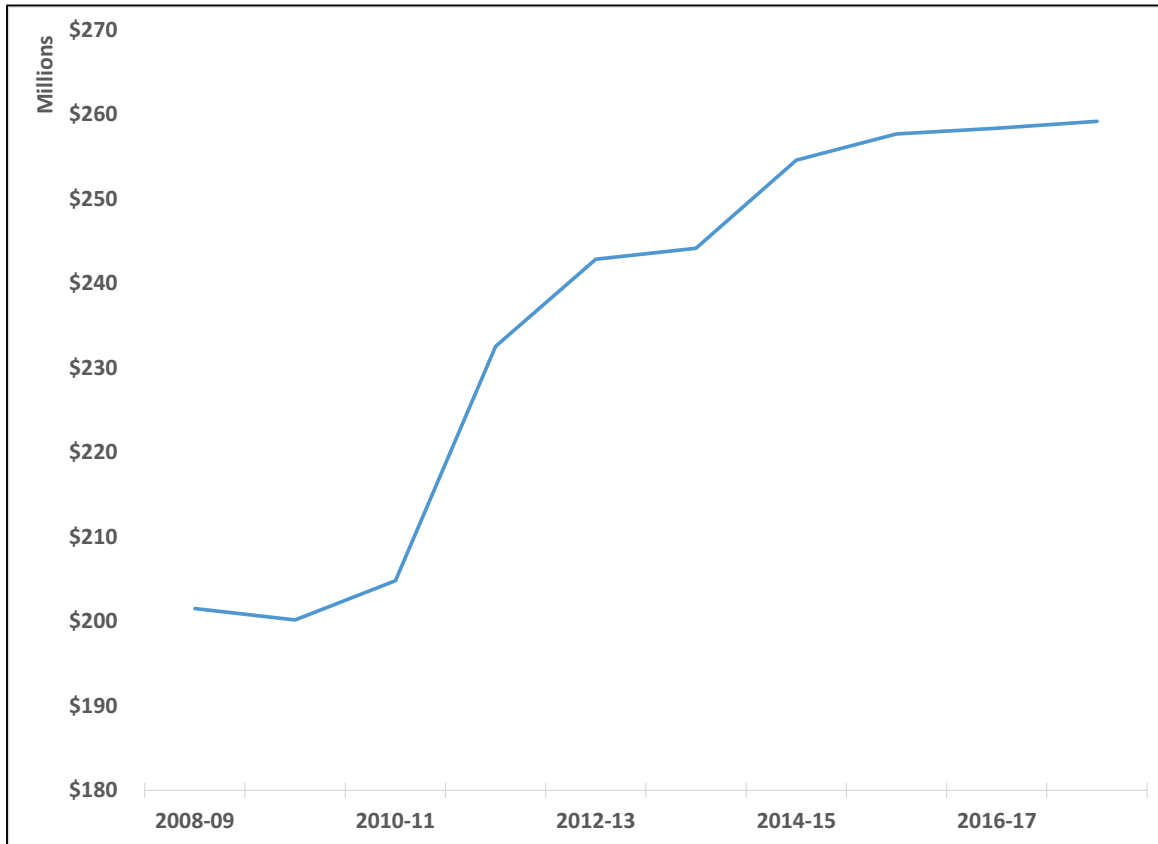
Notes: * Under Armour reflects an addition of 6,000 square feet for a location total of 12,000.
 Space listed for Uniform Destination and Topsy's also indicated the incremental addition to existing space.
 Source: UG, GAI

Of the two lodging properties located within the Legends CID, the Holiday Inn Express opened in 2005, followed by the 108-room Residence Inn by Marriott hotel in January of 2016.

5.4 Historical Sales Performance

Taxable sales performance of the Legends Outlets mirrors the growth in active retail locations (see **Figure 5-4**).

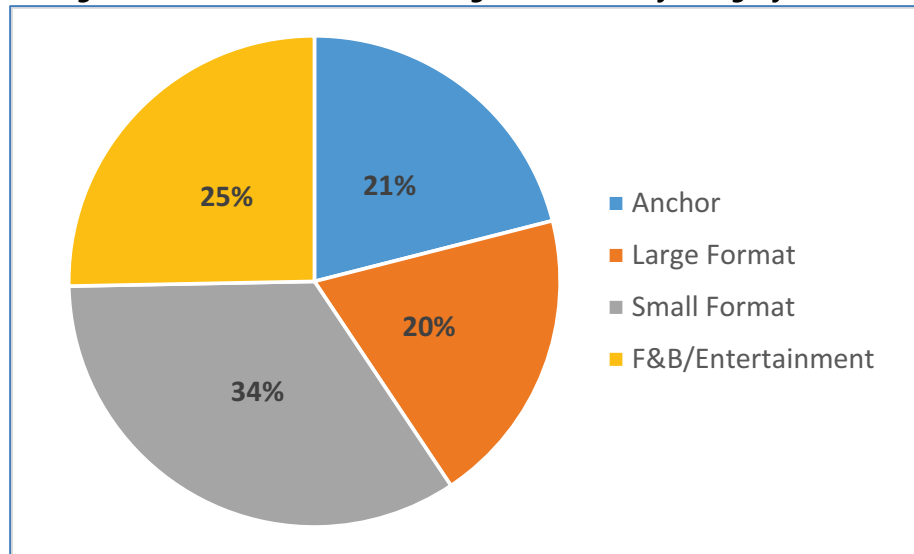
Figure 5-4 – Total Taxable Sales, Legends Outlets



In 2006-07, taxable sales totaled more than \$173,000,000. Additions and increased utilization of developed space has resulted in estimated taxable sales in 2017-18 of nearly \$260,000,000. This growth in total taxable sales represents a compound annual growth rate of 3.7%, including the impact of new operators as well as the growth in sales of existing tenants. Estimated total taxable sales in 2017-18 reflected a very small decrease from 2016-17 as a result of the major planned initiatives to maintain and increase utilization of developed space. A table detailing historical taxable sales is provided in **Appendix B**.

The relative contribution of taxable sales by type of retail category has remained consistent over the past 5 years (see **Figure 5-5**).

Figure 5-5 – 2017 Taxable Sales, Legends Outlets by Category of User



Notes: Excludes Lodging due to disclosure limits.
Source: UG, GAI

Small format retail locations continue to generate roughly one-third (34%) of taxable retail sales followed by F&B/entertainment locations generating roughly one-fourth (25%). The balance of total taxable retail sales originates between Anchors and Large Format locations at roughly one-fifth (20%) each. Performance of total taxable retail sales between categories has remained consistent since 2012.

Taxable sales per square foot in total and by category have illustrated consistency and general growth since 2007 (see **Table 5-4**).

Table 5-4 – Total Taxable Sales per SF within the Legends CID, 2007 – 2016

Year (PY)	Total Taxable Sales per Sq Ft	% Change	Taxable Sales per Sq Ft		
			Large Format Retail	Small Format Retail	F&B
2007-08	\$ 247	-5.5%	\$ 268	\$ 317	\$ 300
2008-09	246	-0.4%	246	299	287
2009-10	244	-1.0%	250	310	273
2010-11	248	1.6%	284	328	269
2011-12	268	8.1%	344	356	297
2012-13	269	0.5%	368	364	294
2013-14	271	0.6%	378	364	301
2014-15	285	5.3%	365	381	331
2015-16	295	3.4%	359	369	356
2016-17	293	-0.7%	361	374	335
2017-18*	306	4.7%	359	397	343
CAGR	1.4%		3.0%	2.0%	0.2%

Notes: PY = June to May; * Estimate;

Total Taxable Sales per sq ft is a weighted average value which includes all retail categories (anchor, large format, small format, and F&B). The values of sales per square feet for anchor tenants is not provided because of disclosure restrictions. Large retail anchor tenants tend generate lower taxable sales per square foot compared with smaller retail formats.

Source: GAI

Between PY 2007-08 and 2017-18, total taxable sales per square foot has increased from \$247 to \$306, reflecting a compound annual growth rate of 1.4%. The Small Format retail category generally generates higher taxable sales per square feet and has grown since 2007-08 at a 2.0% compound annual growth rate. Excluding the impact of planned initiatives in 2017, the only decline in overall sales per square feet over this period occurred on or around the recessionary period of 2008 and 2009. While variations in this measure could reflect the mix of types of active retail locations, this growth is more a result of underlying increases in retail sales, exclusive of new operating locations, consistent with same-store sales growth.

5.5 Implications

In a relatively short period of time the Legends CID and the Village West Property has become a dominant player in the Kansas City market and has had success at drawing customers from long distances in the region. Although the Legends CID was impacted in some measure by the recent recession, total taxable sales has increased every year. Overall, while the strength of the anchor stores certainly contributed to the resiliency of the overall project, we believe that the retail diversification within the complex helped soften the recessionary blows and heighten the subsequent gains. As of the date of this report, vacancy rates within the Legends CID are generally lower than what is occurring in other areas of Wyandotte County. Overall, we believe the Legends CID and the Village West Property is well situated to move forward as a mature retail destination in the Kansas City market.

6.0 TAXABLE SALES AND CID SALES TAX REVENUE PROJECTIONS

6.1 Projection Overview

In the course of estimating taxable sales and sales taxes, we considered proprietary and public data provided by representatives of the UG, Kansas Department of Revenue, U.S. Department of Commerce, SEC filings, ULI and other sources, as well as a number of industry publications oriented toward special classes of retail activity. The historical information supplied by the UG contained taxable sales for all operators in the Legends Outlets since opening on a monthly basis through December of 2017. This detailed data allowed us to follow trends in sales for all operators in a variety of economic and operating conditions. This information was invaluable in analyzing industry trends for each major component of the Legends CID and how each component may impact the other.

The analysis reflects the projected level of sales and the manner in which these are taxed and reported. Distinctions among classes of merchandise are always subject to evaluation and discussion. To the extent that merchandise or services are reclassified for any reason, the projections provided here will also change. Since the Legends CID is substantially developed and has an established operating history spanning many years, the analysis incorporates actual sales and sales taxes where known or easily confirmed from secondary sources. In a limited number of cases, for leased stores or operators not yet open, sales were estimated based on the performance of like operators or from other secondary sources such as annual reports and SEC filings.

The above reflects a variety of considerations including proven operating history, perceptions about the concept itself, its vulnerability to competing concepts, state and regional patterns of sales activity, and the general expectations about population growth and the region's economic health. The projections of taxable sales and resulting sales tax collections are predicated on the overall ability to implement the concepts as described, maintain the integrity of the environment as it is described, achieve expectations regarding interactions between elements within and/or nearby the Legends CID, and maintain specific tenants consistent with the vision.

6.2 Description of Projection Scenarios

GAI has prepared three sales tax revenue scenarios which, together, act as a form of sensitivity test for the overall analysis. While the moderate sales tax revenue projection is considered most likely for any given year of the projection period, the low and high sales tax revenue scenarios provide a range of possible financial outcomes for the same period. Conditions assumed to create each path of low and high scenarios are not mutually exclusive and do not indicate an either/or path of potential sales tax revenues over the projection period.

Moderate Scenario. The moderate scenario assumes a relative continuation of historical sales performance and vacancy rates from properties within the Legends CID, including expected sales performance from new operators. Any general disruption of economic activity is considered short-lived and has a minimal impact on the Kansas City region or the retail sector. In this scenario, growth rates for individual operators over the long-term are projected at 1.0% per year over the Projection Period. The moderate scenario represents the most likely outcome for each Projection Year of the Projection Period.

Low Scenario. The low scenario considers a high possibility of a general economic recession occurring within the first three (3) years of the Projection Period followed by long-term, minimally

acceptable performance as a result of relative market maturity of existing operators, high levels of cannibalization from internal and external retail operations, and high levels of e-commerce penetration. The low sales tax revenue scenario assumes that Legends CID operators are unable to maintain historical growth rates of sales activity. In general, growth rates are projected over the long-term at 0.5% over the Projection Period.

High Scenario. The high scenario assumes no disruption of general economic activity in the near-term or a historically short and shallow recession followed by relatively robust growth. Each existing and new retail operator within the Legends CID would be expected to perform at rates that equal or exceed the most comparable properties operating regionally or nationally and historically as observed. In this scenario, growth rates over the long-term are projected at just under 2.0% per year over the Projection Period. The high scenario is the most synergistic of the three and incorporates optimal general economic conditions and higher than average industry sales.

6.3 Major Assumptions for Sales and CID Sales Tax Projections

The three scenarios described above were developed after consideration of several key assumptions. These include:

General Assumptions. These apply broadly across uses and activities within the Legends CID.

- ▶ For this analysis, due to the availability of significant historical taxable sales data, GAI has performed projections based on the taxable sales without having to calculate taxable sales as a percentage of gross sales.
- ▶ The estimated sales per square feet for the low scenario growth rates are projected at under 0.5% per year. This pattern reflects a slower growth in sales that could occur in future periods, especially if any latent concerns about the economy continue to linger. We consider this to basically be a worst case scenario. This projected growth rate is significantly lower than what has typically occurred in the retail industry over the last 20 years.
- ▶ The estimated sales per square feet for the moderate scenario growth rates are projected at 1.0% per year. This pattern reflects the expectation that sales will grow but at a slow annual rate, other than via the addition of new retailers. This assumption reflects the maturity of this retail area.
- ▶ The estimated sales per square feet for the high scenario growth rates are projected at just under 2.0% per year. This pattern reflects a faster growth in sales that could happen in future periods, which could occur due to economic conditions, growth in residential areas, or other unseen factors.
- ▶ For each scenario, the 1.0% CID sales tax rate was applied. This tax rate yields sales tax revenue that flows entirely to the Legends CID for its use. Administrative fees (1% for the UG and 2% for the State) have been netted out where applicable. These rates were supplied by the UG and its advisory team.
- ▶ Sales tax at hotel properties would apply to room revenue, retail sales, and food and beverage sales. These estimates are based on an analysis of taxable sales for each operator.
- ▶ Transient guest tax is not applicable for this analysis.

- ▶ According to the UG, actual sales tax distributions made by the State (based on the total retail sales generated) lag by approximately 60 days behind the period in which they are actually generated. Over the entire study period, this lag is immaterial to the total but it does impact short term distributions, especially in the year a retailer begins operating. This expectation of a lag then gives rise to the likelihood that any scheduled debt payments will follow the pattern of actual tax distributions from the State. Our projections reflect the estimated 60 day lag.
- ▶ The proposed apartment project within the Legends CID will most likely enhance retail performance for specific locations. However, overall consumer demand from the proposed apartment is not a material factor in achieving future CID Sales Tax projections within the range of low and high scenarios.

Major Retail Assumptions. These apply broadly across the Legends CID's retail uses and activities.

- ▶ Effectively, future sales are a derivative of consumer expenditures expressed in typical sales per SF at the tenant level where possible. Using historical and industry data to estimate, and then project, retail sales for the appropriate categories of retail merchandise, we are able to compare sales performance against reasonable industry norms. The sums ultimately realized are largely a function of understanding the operations of the targeted users and evaluating their prospective sales performance over some longer term. The analysis is, in effect, a tenant by tenant reconciliation for the identified operators. The future, obviously, becomes more speculative and our assessment of prospective conditions is based largely on industry trends and reasonable expectations. The analysis incorporates actual sales through December of 2017. For operators that are open, we estimated specific ranges of sales per SF on a tenant by tenant basis. For the few operators that are leased but not yet open, future sales were based on the experience of comparable retailers or other sources such as SEC filings.
- ▶ The overall sales per square feet for the moderate scenario in 2017 dollars is approximately \$300 to \$310 per square foot. This compares to an estimated \$306 per square feet as of the end of 2017-18.

Major Lodging Assumptions. These apply broadly across the lodging properties in the Legends CID.

- ▶ The estimated performance of the lodging market varied by scenario in a similar fashion to the retail market, and the scenarios assume growth rates as detailed in our general assumptions.
- ▶ Each individual hotel operator's future sales were projected based on past trends of taxable sales per room and the expectations that the market would continue to perform at levels similar to what has been achieved.

6.4 Taxable Sales and CID Sales Tax Projections

GAI performed detailed analyses on actual sales and sales tax data through December 2017, including historical and seasonal patterns and trends, to project taxable sales and tax revenue amounts for each property within the Legends CID. The term of the CID Sales Tax commences on April 1, 2018 and expires on March 31, 2040. Based on timing of the levy and term of the CID Sales Tax, an approximate 60-day lag in CID Sales Tax collections, and certain timing and dates of the proposed Series 2018 Turbo Bonds, the Projection Period of this analysis begins on June 1, 2018 and ends May 30, 2040. An individual Projection Year is therefore a 12-month period from June 1 to May 30.

The table below presents a summary of taxable sales and Legends CID tax revenues for the Projection Period, as well as the grand total. Our projections reflect an estimated 60-day lag in tax collections. However, for comparison purposes, the following tables display the taxable sales that directly correspond to the taxes distributed for each time period. CID Sales Tax Revenues exclude a 2% State collection fee and 1% UG administrative fee.

Table 6-1 – Taxable Sales and CID Tax Revenues

Projection Year	Low Scenario		Moderate Scenario		High Scenario	
	Taxable Sales (000's)	CID Sales Taxes	Taxable Sales (000's)	CID Sales Taxes	Taxable Sales (000's)	CID Sales Taxes
2018-19	\$ 270,790	\$ 2,619,000	\$ 273,110	\$ 2,642,000	\$ 275,430	\$ 2,664,000
2019-20	264,730	2,561,000	277,210	2,681,000	281,940	2,727,000
2020-21	268,780	2,602,000	279,980	2,711,000	287,180	2,780,000
2021-22	270,130	2,615,000	282,780	2,738,000	292,520	2,832,000
2022-23	271,480	2,628,000	285,610	2,765,000	297,960	2,885,000
2023-24	272,830	2,641,000	288,470	2,793,000	303,490	2,938,000
2024-25	274,200	2,655,000	291,350	2,821,000	309,130	2,993,000
2025-26	275,570	2,668,000	294,260	2,849,000	314,880	3,049,000
2026-27	276,950	2,681,000	297,210	2,877,000	320,730	3,105,000
2027-28	278,330	2,695,000	300,180	2,906,000	326,690	3,163,000
2028-29	279,720	2,708,000	303,180	2,935,000	332,760	3,222,000
2029-30	281,120	2,722,000	306,210	2,965,000	338,950	3,282,000
2030-31	282,530	2,735,000	309,270	2,994,000	345,250	3,343,000
2031-32	283,940	2,749,000	312,370	3,024,000	351,660	3,405,000
2032-33	285,360	2,763,000	315,490	3,054,000	358,200	3,468,000
2033-34	286,790	2,777,000	318,640	3,085,000	364,860	3,532,000
2034-35	288,220	2,790,000	321,830	3,116,000	371,640	3,598,000
2035-36	289,660	2,804,000	325,050	3,147,000	378,540	3,665,000
2036-37	291,110	2,818,000	328,300	3,178,000	385,580	3,733,000
2037-38	292,570	2,832,000	331,580	3,210,000	392,740	3,802,000
2038-39	294,030	2,847,000	334,900	3,242,000	400,040	3,873,000
2039-40	295,500	2,861,000	338,250	3,275,000	407,480	3,945,000
TOTAL		\$ 59,771,000		\$ 65,008,000		\$ 72,004,000

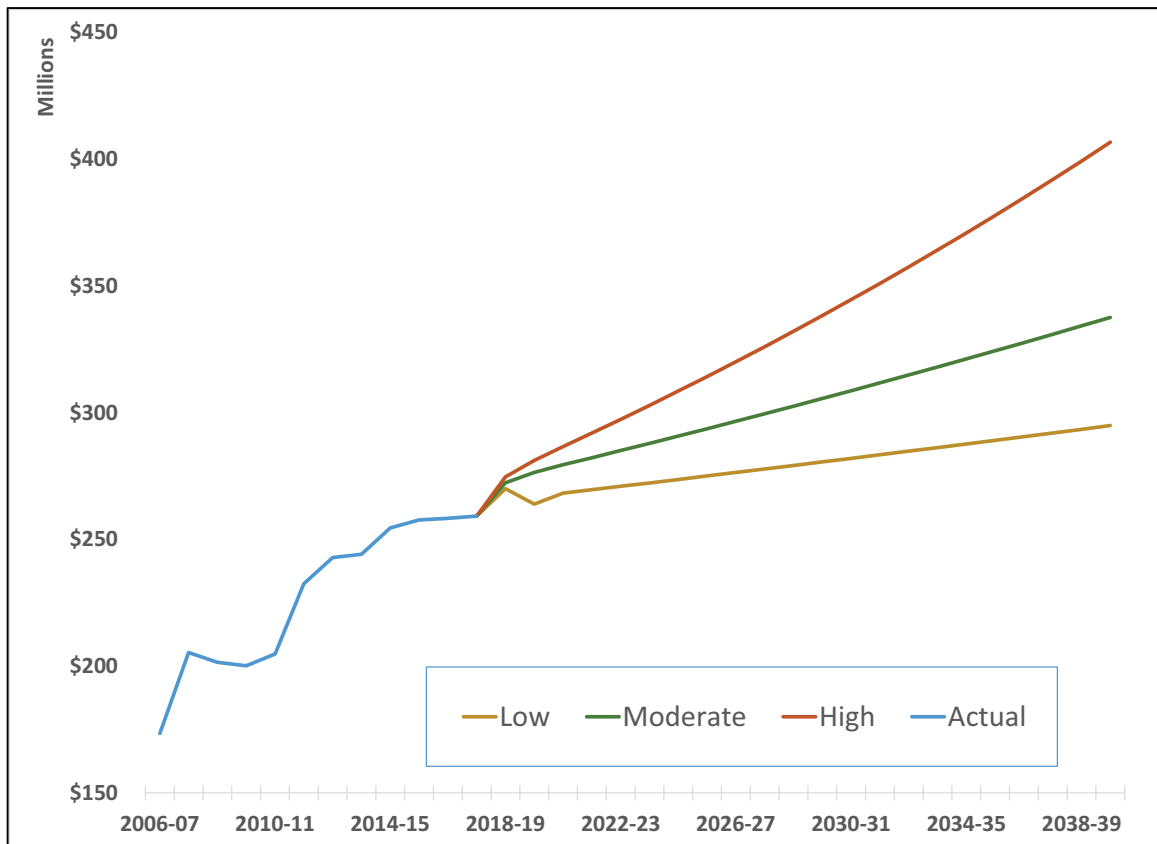
Notes:(1) Taxable sales shown are those applicable to the sales tax distributions for each time period.

(2) Tax revenues reflect an approximate 60-day lag from generation to distribution, as well as rounding.

Source: GAI

As a means of illustrating observed historical patterns as well as projected future taxable sales used in generating sales tax revenues, Figure 6.1 below illustrates actual historical taxable sales as well as those taxable sales projected in this analysis that are eligible for the Legends CID sales tax.

Figure 6-1 - Actual Taxable Sales & GAI Projected Taxable Sales Eligible for CID Sales Tax



Source: GAI

We also summarized the contribution of CID Sales Tax revenues, grouping operators by largest taxpayers within the Legends CID (see **Table 6-2**).

Table 6-2 – Legends CID Largest Taxpayers

Rank	Current (2017)		Stabilized Year (2021)	
	Location	Share of Total Sales	Location	Share of Total Sales
1 – 5	JC Penney	28.2%	H&M	26.0%
	Nike		JC Penney	
	Off Broadway Shoes		Nike	
	Target		Target	
	TJ Maxx		TJ Maxx	
6 - 10	Coach	11.8%	Dave & Busters	15.5%
	Dave & Busters		HomeGoods	
	The Gap		Off Broadway Shoes	
	Old Navy		Old Navy	
	Under Armour		Under Armour	

Currently, the five largest taxpayers account for 28.2% of total taxable sales with the next five representing 11.8%. In the first full year after the addition of H&M and HomeGoods, the five largest taxpayers account for 26.0% of total taxable sales with the next five representing 15.5%. H&M and HomeGoods were not open in 2017. The shift in retailers in the top ten is a result of those store additions.

APPENDIX A – CURRENT RETAIL OPERATIONS IN LEGENDS CID

RETAIL OPERATOR	SQUARE FOOTAGE	INSIDE LEGENDS OUTLETS	STATUS	OPEN OR PROJECTED OPENING DATE
Anchors				
J C Penney	99,186	No	Open	Oct-06
Target	125,000	No	Open	Oct-06
H&M	25,025	Yes	Open	Nov-17
Charming Charlie	21,975	Yes	Open	Nov-11
Off Broadway Shoe Warehouse	21,554	Yes	Open	Apr-06
HomeGoods	20,150	Yes	Near Open	May-18
TJ Maxx	<u>30,271</u>	Yes	Open	Oct-05
<i>Subtotal</i>	<i>343,161</i>			
Large Format Retail				
Books-A-Million	16,846	Yes	Open	Apr-06
Cavender's	16,207	Yes	Open	Feb-06
F21 RED	16,045	Yes	Open	Mar-07
The Gap	12,730	Yes	Open	Jun-06
Nike	15,286	Yes	Open	May-06
Old Navy	17,266	Yes	Open	Jul-06
Under Armour Factory House	12,000	Yes	Open	Jul-11
Polo / Ralph Lauren	<u>16,979</u>	Yes	Open	Oct-11
<i>Subtotal</i>	<i>123,359</i>			
Small Format Retail				
Adidas	6,798	Yes	Open	Apr-06
Aeropostale Inc (store # 772)	3,384	Yes	Open	Nov-05
American Eagle Outfitters (AE West)	5,481	Yes	Open	Apr-06
Ann Taylor	6,005	Yes	Open	Oct-06
Auntie Ann's (Bacon Pretzels Inc)	616	Yes	Open	Sep-07
Banana Republic (the Gap, Inc)	8,184	Yes	Open	Jul-06
Bath & Body Works	3,164	Yes	Open	Apr-14
Beauty Brands	6,360	Yes	Open	Apr-06
Brooks Brothers				
(Retail Band Alliance)	5,182	Yes	Open	Apr-06
Carter's	4,500	Yes	Open	Jul-06
Chico's	3,145	Yes	Open	Jun-11
Christopher & Banks	3,748	Yes	Open	Sep-10
Claire's #5351	1,676	Yes	Open	Dec-05
Coach	8,337	Yes	Open	May-14
Converse	2,887	Yes	Open	Apr-06
Cosmetics Co. Store				
(ELC Beauty LLC)	1,873	Yes	Open	May-06
Crazy 8	2,249	Yes	Open	Jul-12
Eddie Bauer	3,964	Yes	Open	Sep-14
Envy Nails	2,798	No	Open	Jun-14
Express Factory Outlet	7,061	Yes	Open	Mar-15
Finish Line (store # 739)	4,529	Yes	Open	Nov-05
Five & Dime	3,603	Yes	Open	Mar-13
Francesca's	1,960	Yes	Open	May-16
Game Stop	1,283	Yes	Open	Dec-05
GNC (General Nutrition Corp)	1,198	Yes	Open	Feb-07
Gymboree	2,203	Yes	Open	Apr-08
Haggar Clothing Co.	2,479	Yes	Open	May-14
Helzberg Diamonds	4,192	Yes	Open	Apr-06
Hot Topic	1,800	Yes	Open	Nov-05

RETAIL OPERATOR	SQUARE FOOTAGE	INSIDE LEGENDS OUTLETS	STATUS	OPEN OR PROJECTED OPENING DATE
Small Format Retail - continued				
J Crew Factory	6,026	Yes	Open	Aug-11
Jockey	3,432	Yes	Open	Apr-06
Journeys	2,340	Yes	Open	May-18
Justice	3,514	Yes	Open	Mar-07
Kate Spade	3,550	Yes	Open	Mar-18
Kay Jewelers (formerly Ultra Diamonds)	1,564	Yes	Open	Jun-06
KC Soda Co.	1,328	Yes	Open	Jun-15
Lane Bryant	5,502	Yes	Open	May-07
Legend Nails	2,561	Yes	Under Construction	Jul-18
Levi Outlet	4,630	Yes	Open	Dec-07
Lids	1,368	Yes	Open	May-14
LOFT Outlet	6,067	Yes	Open	Oct-06
Maurice's	4,625	Yes	Open	Apr-06
Michael Kors	5,400	Yes	Under Construction	Jun-18
Motherhood Maternity	1,463	Yes	Open	Sep-06
Nails So Happy	1,511	Yes	Open	Jun-06
NTB	9,000	No	Open	Sep-08
Payless Shoesource	3,172	No	Open	Apr-08
Perfume Palace	2,613	Yes	Open	Dec-15
Rocky Mountain Chocolate Factory	972	Yes	Open	Mar-06
Soma Intimates	2,408	Yes	Open	Jul-11
Sportibles	2,895	Yes	Open	Mar-17
Sprint	2,992	Yes	Open	Apr-08
Topsy's	4,235	Yes	Open	Mar-17
Sunglass Hut	1,253	Yes	Open	Nov-05
The Buckle	5,174	Yes	Open	Jul-06
Tommy Hilfiger	6,476	Yes	Open	Oct-16
Sweet Charlie's	2,995	Yes	Under Construction	Jun-18
Uniform Destination	4,031	Yes	Open	Jan-18
US Armed Forces	2,917	Yes	Open	Oct-07
Vans Off the Wall	4,002	Yes	Open	Mar-17
Verizon	4,200	No	Open	May-15
Victoria's Secret	8,472	Yes	Open	Oct-16
Vision Works	2,800	No	Open	Jul-16
Wilson's Leather	3,993	Yes	Open	Jun-06
Woody's Automotive Group	507	Yes	Open	May-14
Zales	<u>2,002</u>	Yes	Open	Sep-06
<i>Subtotal</i>	<i>242,649</i>			
F & B/Entertainment				
Applebee's	5,224	No	Open	Dec-03
Arthur Byrants	7,468	No	Open	Jun-04
Bob Evan's	5,140	No	Open	Jun-04
Borberg Pizzeria Inc	4,219	No	Open	Jun-12
Chilis	5,876	No	Open	Apr-07
Chipotle Mexican Grill	1,995	Yes	Open	Sep-06
Cold Stone Creamery	1,411	Yes	Open	Apr-06
Culver's	4,822	No	Open	Dec-06

RETAIL OPERATOR	SQUARE FOOTAGE	INSIDE LEGENDS OUTLETS	STATUS	OPEN OR PROJECTED OPENING DATE
F & B/Entertainment – cont.				
Dapper Doughnut	507	Yes	Under Construction	Jun-18
Dave & Busters	46,953	Yes	Open	Nov-05
Five Guys	2,981	Yes	Open	Sep-09
Fuddruckers	6,740	No	Open	Sep-15
Granite City	8,940	No	Open	Feb-06
Hooters of Kansas Speedway	4,050	No	Open	Nov-05
International House of Pancakes (IHOP)	5,400	No	Open	Jul-05
Jazz A Louisiana Kitchen	7,153	Yes	Open	Jan-07
Jose Pepper's Border Grill & Cantina	6,200	Yes	Open	Nov-14
Longhorn Steak House	5,992	No	Open	Apr-04
McDonalds	5,500	No	Open	Sep-05
Noodles and Company	2,700	No	Open	Aug-16
Panda Express	4,500	No	Open	Oct-08
Panera Bread	4,404	Yes	Open	Aug-06
Pepperjax	2,400	No	Open	Sep-16
Pizza Studio	2,542	Yes	Open	Jul-14
Sheridan's Ice Cream	2,195	No	Open	Oct-04
Sonic Drive In	1,362	No	Open	Mar-04
STIX	8,303	Yes	Open	Mar-06
Sweet Frog	1,588	Yes	Open	Apr-14
Taco Bueno	2,560	No	Open	Jul-07
Beef Jerky Outlet	1,600	No	Open	Mar-17
Yard House	9,638	Yes	Open	Apr-06
<i>Subtotal</i>	<i>180,363</i>			
Total Occupied/Leased Space	889,532			
Lodging (rooms)				
Holiday Inn Express	96	No	Open	Jul-05
Residence Inn	108	No	Open	Jan-16
Total Lodging	204			
Legends Outlets Vacant Space				
K115	1,420	Yes	Vacant	N/A
K117	6,085	Yes	Vacant	N/A
K125	2,445	Yes	Vacant	N/A
C103	1,450	Yes	Vacant	N/A
C109	6,226	Yes	Vacant	N/A
D109	5,088	Yes	Vacant	N/A
D211	6,675	Yes	Vacant	N/A
T107	6,931	Yes	Vacant	N/A
T115	3,375	Yes	Vacant	N/A
Total Legends Outlets Vacant	39,695			
Vacant / Undeveloped Space				
Outside Legends Outlets				
Lot 2 (South of Bob Evans)	6,461	No	Constructed	N/A
Lot 21 Amini's	6,000	No	Constructed	N/A
New Pad 1	6,000	No	Undeveloped	N/A
New Pad 2	6,000	No	Undeveloped	N/A
Total Vacant / Undeveloped Space				
Outside Legends Outlets	24,461			

APPENDIX B – HISTORICAL TAXABLE SALES

Actual historical taxable sales for comparable June 1 to May 30 periods from 2005-06 to 2016-17 include existing retail operators and closed retail operators. The June 1 to May 30 period for 2017-18 is an estimate with actual sales through December 2017. Pro forma CID Sales Tax Revenues is a calculation reflecting estimated collections if the CID Sales Tax of 1.0% had existed in historical periods. Pro forma CID Sales Tax Revenues exclude a 2% State collection fee and 1% UG administrative fee.

PY	Total Taxable Sales History	Pro Forma CID Sales Tax Revenues **
2005-06	\$ 47,844,217	\$ 464,000
2006-07	173,489,205	1,683,000
2007-08	205,394,425	1,992,000
2008-09	201,522,241	1,955,000
2009-10	200,181,032	1,942,000
2010-11	204,804,342	1,987,000
2011-12	232,537,798	2,256,000
2012-13	242,854,067	2,356,000
2013-14	244,157,535	2,368,000
2014-15	254,601,227	2,470,000
2015-16	257,697,824	2,500,000
2016-17	258,354,405	2,506,000
2017-18*	259,184,446	2,514,000

Note: PY = June to May; * Estimate; ** Pro Forma CID Sales Tax Revenue if CID Sales Tax had been enacted for prior years; Source: UG. GAI.

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Appendix B
DEFINITIONS

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APPENDIX B

DEFINITIONS

In addition to the words and terms defined elsewhere in this Official Statement, the following are definitions of certain words and terms as used in this Official Statement, the Indenture and the Tax Compliance Agreement. Reference is made to the Indenture and the Tax Compliance Agreement for a complete recital of the defined terms used therein.

“Additional Bonds” means any additional parity Bonds issued by the Issuer pursuant to the Indenture that stand on a parity and equality under the Indenture with the Series 2018 Bonds.

“Authorized Issuer Representative” means the Mayor/CEO, the County Administrator, the Chief Financial Officer or the Unified Government Clerk or such other person at the time designated to act on behalf of the Issuer as evidenced by written certificate furnished to the Trustee containing the specimen signature of such person and signed on behalf of the Issuer by its Mayor/CEO. Such certificate may designate an alternate or alternates, each of whom shall be entitled to perform all duties of the Authorized Issuer Representative.

“Bond Counsel” means Gilmore & Bell, P.C., or other firm of nationally recognized bond counsel.

“Bond Purchase Agreement” means, with respect to a series of Bonds, the Bond Purchase Agreement between the purchaser and the Issuer relating to such series of Bonds.

“Bond Register” means the books for the registration, transfer and exchange of the Bonds kept at the office of the Trustee.

“Bond Year” means each one-year period (or shorter period for the first Bond Year) ending December 31.

“Bondowner” has the same meaning as “Registered Bondowner.”

“Bonds” means the Series 2018 Bonds and any Additional Bonds authorized and issued pursuant to the Indenture.

“Business Day” means a day other than a Saturday, Sunday or holiday on which the Trustee is scheduled in the normal course of its operations to be open to the public for conduct of its banking operations.

“CID” means the Legends Garage and Lawn Community Improvement District created by Ordinance No. 0-76-17 on December 21, 2017, and legally described in **Exhibit A** hereto.

“CID Sales Tax” means the CID Sales Tax of 1.0% levied within the CID by Ordinance No. 0-76-17 on December 21, 2017 with a term commencing April 1, 2018 and continuing until March 31, 2040.

“Closing Date” means the date the Issuer issues and delivers the Bonds.

“Code” means the Internal Revenue Code of 1986, as amended, and the applicable regulations proposed or promulgated thereunder of the United States Department of the Treasury.

“Continuing Disclosure Agreement” means (a) with respect to the Series 2018 Bonds, collectively, (i) the Issuer’s Continuing Disclosure Agreement, (ii) the Developer Continuing Disclosure Agreement dated as of June 1, 2018 between the West Lawn Developer and Security Bank of Kansas City, as dissemination agent, (iii) Developer Continuing Disclosure Agreement dated as of June 1, 2018 between the Apartments and Garage

Developer and Security Bank of Kansas City, as dissemination agent and (b) with respect to a series of Additional Bonds, a Continuing Disclosure Agreement relating to such series of Bonds between a Disclosure Party and the dissemination agent identified therein, each as may be amended from time to time in accordance with the provisions thereof.

“Costs of Issuance” means all costs of issuing the Bonds, including all publication, printing, signing and mailing expenses in connection therewith, registration fees, financial advisory fees, all legal fees and expenses of Bond Counsel and other legal counsel, expenses incurred in connection with compliance with the Code, all expenses incurred in connection with receiving ratings on the Bonds, and any premiums or expenses incurred in obtaining municipal bond insurance on the Bonds.

“Costs of Issuance Fund” means the account by that name created by the Indenture.

“Debt Service Fund” means the account by that name created by the Indenture.

“Debt Service Reserve Fund” means the fund by that name created in the Indenture.

“Debt Service Reserve Requirement” means, (a) with respect to the Series 2018 Bonds, \$[_____], which represents 18 months of interest on the Series 2018 Bonds, and (b) with respect to a series of Additional Bonds, unless otherwise specified by the Issuer in the Supplemental Indenture authorizing such series of Bonds, the least of (i) 10% of the original principal amount of such series of Bonds, (ii) maximum annual debt service on such series of Bonds, or (iii) 125% of average annual debt service on such series of Bonds.

“Defaulted Interest” means interest on any Bond that is payable but not paid on any Interest Payment Date.

“Developers” means, collectively, the Apartments and Garage Developer and the West Lawn Developer.

“Development Agreements” means, collectively, the Apartments and Garage Development Agreement and the West Lawn Development Agreement.

“Disclosure Party” means the Issuer, the Developer and any other Person that has agreed to provide disclosure information pursuant to a Continuing Disclosure Agreement.

“Event of Default” means any one of the following events (whatever the reason for such event and whether it shall be voluntary or involuntary or be effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body):

(a) default in the payment of any interest on any Bond when such interest becomes due and payable; or

(b) default in the payment of the principal of (or premium, if any, on) any Bond when the same becomes due and payable (whether at maturity, upon proceedings for redemption, or otherwise); or

(c) default in the performance, or breach, of any covenant or agreement of the Issuer in the Indenture (other than a covenant or agreement a default in the performance or breach of which is specifically dealt with elsewhere in the Indenture), and continuance of such default or breach for a period of 60 days after there has been given to the Issuer by the Trustee or to the Issuer and the Trustee by the owners of at least 10% in principal amount of the Bonds Outstanding, a written notice specifying such default or breach and requiring it to be remedied; provided, that if such default cannot be fully remedied within such 60-day period, but can reasonably be expected to be fully remedied, such default shall not constitute an Event of Default if the Issuer shall immediately upon receipt of such notice

commence the curing of such default and shall thereafter prosecute and complete the same with due diligence and dispatch.

“Excess Revenues” means the Revenues in the Revenue Fund after application of the Revenues pursuant to Subsections (a) through (d) of Section 502 of the Indenture.

“Financing Documents” means, with respect to a series of Bonds, the Indenture, the Bonds, the Tax Compliance Agreement, the Development Agreement and any Supplemental Indenture, the Bond Purchase Agreement, the Continuing Disclosure Agreement, the Official Statement relating to the Bonds, any and all other documents or instruments that evidence or are a part of the transactions referred to in the Indenture, any Supplemental Indenture, the Development Agreement, or the Official Statement or contemplated by the Indenture, the Development Agreement or the Official Statement; and any and all future renewals and extensions or restatements of, or amendments or supplements to, any of the foregoing; provided, however, that when the words “Financing Documents” are used in the context of the authorization, execution, delivery, approval or performance of Financing Documents by a particular party, the same shall mean only those Financing Documents that provide for or contemplate authorization, execution, delivery, approval or performance by such party.

“Government Obligations” means direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America and backed by the full faith and credit thereof.

“Interest Payment Date” means (a) with respect to the Series 2018 Bonds, each June 1 and December 1, commencing June 1, 2019, and (b) with respect to any Additional Bonds, the payment date or dates specified for such series of Bonds in the Supplemental Indenture authorizing such series of Bonds.

“Maturity” when used with respect to any Bond means the date on which the principal of such Bond becomes due and payable as therein and herein provided, whether at the Stated Maturity thereof or at a call for redemption or otherwise.

“Non-Qualified Use” means use of Bond proceeds or the Financed Facility in a trade or business carried on by any Non-Qualified User. The rules set out in Regulations § 1.141-3 determine whether Bond proceeds or the Financed Facility are “used” in a trade or business. Generally, ownership, a lease, or any other use that grants a Non-Qualified User a special legal right or entitlement with respect to the Financed Facility, will constitute use under Regulations § 1.141-3.

“Non-Qualified User” means any person or entity other than a Qualified User.

“Official Statement” means the Official Statement dated May [], 2018 relating to the Bonds.

“Officer's Certificate” means a written certificate of the Issuer, substantially in the form described in the Indenture signed by the Authorized Issuer Representative, which certificate shall be deemed to constitute a representation of, and shall be binding upon, the Issuer with respect to matters set forth therein.

“Opinion of Bond Counsel” means a written opinion of any legal counsel acceptable to the Issuer and the Trustee who shall be nationally recognized as expert in matters pertaining to the validity of obligations of governmental issuers and the exemption from federal income taxation of interest on such obligations.

“Opinion of Counsel” means a written opinion in the form described in the Indenture of any legal counsel acceptable to the recipients thereof, who may be an employee of or counsel to the Issuer or the Trustee.

“Original Purchaser” means with respect to the Series 2018 Bonds, Citigroup Global Markets, Incorporated.

“Outstanding” means, when used with respect to Bonds, as of any particular date, the Bonds theretofore issued and delivered under the Indenture, except

- (a) Bonds theretofore cancelled by the Trustee or delivered to the Trustee for cancellation;
- (b) Bonds deemed to be paid in accordance with the provisions of the Indenture; and
- (c) Bonds in exchange for or in lieu of which other Bonds have been registered and delivered under the Indenture.

“Parity Bond(s)” means any bonds issued on a parity with the Series 2018 Bonds and any other Additional Bonds.

“Paying Agent” means the Trustee and any other commercial bank or trust institution organized under the laws of any state of the United States of America or any national banking association designated pursuant to the Indenture at which the principal of, redemption premium, if any, and interest on the Bonds shall be payable.

“Permitted Investments” means any of the following securities and obligations, if and to the extent the same are at the time legal for investment of the Issuer's moneys held in the funds and accounts referred to in the Indenture:

- (a) Government Obligations;
- (b) bonds or other obligations of the State, or any political subdivision of the State, that at the time of their purchase are rated in either of the two highest rating categories by a nationally recognized rating service;
- (c) repurchase agreements with any bank, bank holding company, savings and loan association, trust company, or other financial institution organized under the laws of the United States or any state (including the Trustee and its affiliates), that are continuously and fully secured by any one or more of the securities described in clause (a) or (b) above and have a market value, exclusive of accrued interest, at all times at least equal to the principal amount of such repurchase agreement and are held in a custodial or trust account for the benefit of the Issuer;
- (d) obligations of Fannie Mae, Government National Mortgage Association, Federal Financing Bank, Federal Intermediate Credit Corporation, Federal Banks for Cooperatives, Federal Land Banks, Federal Home Loan Banks, Farmers Home Administration and Federal Home Loan Mortgage Corporation;
- (e) certificates of deposit, time deposits or other deposits, whether negotiable or nonnegotiable, issued by any bank or trust company organized under the laws of the United States or any state (including the Trustee and its affiliates), provided that such certificates of deposit or time deposits shall be either (1) continuously and fully insured by the Federal Deposit Insurance Corporation, or (2) continuously and fully secured by such securities as are described above in clauses (a), (b) or (d), which shall have a market value, exclusive of accrued interest, at all times at least equal to the principal amount of such certificates of deposit or time deposits;
- (f) money market mutual funds that are registered with the Securities and Exchange Commission (“SEC”) meeting the requirements of Rule 2a-7 under the Investment Company Act of 1940 and which invest in securities as are described above in (a), (b) or (d); and

(g) any other securities or investments that are lawful for the investment of moneys held in such funds or accounts under the laws of the State.

“Project Costs” means “CID Project Costs” as defined in the Apartments and Garage Development Agreement and the West Lawn Development Agreement.

“Project Fund” means the fund by that name created in the Indenture.

“Qualified User” means a State, territory, possession of the United States, the District of Columbia, or any political subdivision thereof, or any instrumentality of such entity, but it does not include the United States or any agency or instrumentality of the United States.

“Rebate Analyst” means Gilmore & Bell, P.C. or any successor Rebate Analyst selected pursuant to the Tax Compliance Agreement.

“Rebate Fund” means the fund by that name created in the Indenture.

“Record Date” for the interest payable on any Interest Payment Date means the 15th day (whether or not a Business Day) of the calendar month next preceding such Interest Payment Date.

“Redemption Account” means the account by that name created in the Indenture, to be held within the Debt Service Fund.

“Redemption Date” when used with respect to any Bond to be redeemed means the date fixed for such redemption pursuant to the terms of the Indenture.

“Redemption Price” when used with respect to any Bond to be redeemed means the price at which such Bond is to be redeemed pursuant to the terms of the Indenture, including the applicable redemption premium, if any, but excluding installments of interest whose Stated Maturity is on or before the Redemption Date.

“Registered Bondowner” or **“Bondowner”** when used with respect to any Bond means the person in whose name such Bond is registered on the Bond Register.

“Replacement Bonds” means Bonds issued to the beneficial owners of the Bonds in accordance with the Indenture.

“Revenues” means the CID Sales Tax less an Issuer administrative fee of 1%.

“SEC Rule” means Rule 15c2-12 adopted by the SEC under the Securities Exchange Act of 1934, as may be amended from time to time.

“Securities Depository” means, initially, The Depository Trust Company, New York, New York, and its successors and assigns.

“Series 2018 Bond” or **“Series 2018 Bonds”** means any of the Issuer's Community Improvement District Sales Tax Revenue Bonds (Legends Apartment Garage & West Lawn Project), Series 2018, in the original principal amount of \$[PRINCIPAL AMOUNT], authorized by the Indenture and issued pursuant to the Indenture.

“State” means the State of Kansas.

“Stated Maturity” when used with respect to any Bond or any installment of interest thereon means the date specified in such Bond and the Indenture as the fixed date on which the principal of such Bond or such installment of interest is due and payable.

“Supplemental Indenture” means any indenture supplemental or amendatory to the Indenture entered into by the Issuer and the Trustee pursuant to **Article XI** of the Indenture.

“Tax Compliance Agreement” means (a) with respect to the Series 2018 Bonds, the Tax Compliance Agreement dated as of June 1, 2018 between the Issuer and the Trustee and (b) with respect to any Additional Bonds, the tax compliance agreement with respect to such Additional Bonds, each as from time to time amended in accordance with the provisions thereof.

“Tax Compliance Procedure” means the Issuer’s Tax-Exempt Financing Compliance Policy and Procedure, dated as of January 19, 2012, as amended and supplemented in accordance with the provisions thereof.

“Tax-Exempt Bond File” means documents and records for the Bonds maintained by the Bond Compliance Officer pursuant to the Tax Compliance Procedure.

“Tax Revenues” means the revenues derived from the sales tax imposed by the Legends Apartment Community Improvement District, which constitute revenues derived from a “generally applicable tax” within the meaning of Regulations 1.141-4(e).

“Treasurer” means the duly appointed and acting Treasurer of the Issuer or, in the Treasurer’s absence, the duly appointed Deputy or acting Treasurer of the Issuer. Pursuant to the provisions of the Unified Government Cash Management and Investment Policy, the Chief Financial Officer is the duly appointed Treasurer.

“Trust Estate” means the following property:

- (a) All moneys and securities from time to time held by the Trustee under the terms of the Indenture; and
- (b) Revenues; and
- (c) Any and all other property (real, personal or mixed) of every kind and nature from time to time, by delivery or by writing of any kind, pledged, assigned or transferred as and for additional security under the Indenture by the Issuer or by anyone in its behalf or with its written consent, to the Trustee, which is authorized to receive any and all such property at any and all times and to hold and apply the same subject to the terms of the Indenture.

“Trustee” means Security Bank of Kansas City, Kansas City, Kansas, in its capacity as trustee, and its successors or successors and any other corporation or association which at any time may be substituted in its place pursuant to and at the time serving as trustee under the Indenture.

“Unified Government” means the Unified Government of Wyandotte County/Kansas City, Kansas, and any successors or assigns.

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Appendix C

SUMMARY OF THE INDENTURE

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APPENDIX C

SUMMARY OF THE INDENTURE

The following is a summary of certain provisions of the Indenture. This summary of the Indenture does not purport to be complete, and reference is made to the full text of the Indenture for a complete recital of its terms.

Pledge of the Trust Estate

To secure the payment of all of the Bonds issued and Outstanding under the Indenture from time to time and to secure the performance and observance by the Issuer of all the covenants, agreements and conditions contained in the Indenture and in the Bonds, the Issuer transfers in trust, pledges and assigns to the Trustee, and grants a security interest to the Trustee in, the property described in the Trust Estate.

The Trustee shall hold in trust and administer the Trust Estate, upon the terms and conditions set forth in the Indenture for the equal and pro rata benefit and security of each and every owner of Bonds, without preference, priority or distinction as to participation in the lien, benefit and protection of the Indenture of one Bond over or from the others, except as otherwise expressly provided in the Indenture.

Authorization, Amount and Title of Bonds

The Issuer may issue Bonds in one or more series from time to time under the Indenture, but subject to the provisions of the Indenture and any Supplemental Indenture authorizing a series of Bonds. The total principal amount of Bonds, the number of Bonds and series of Bonds that may be issued under the Indenture is not limited, except as provided in the Indenture, and except as may be limited by law. The several series of Bonds may differ as between series in any respect not in conflict with the provisions of the Indenture and as may be prescribed in the Supplemental Indenture authorizing such series. The general title of all series of Bonds authorized to be issued under the Indenture shall be “Community Improvement District Sales Tax Revenue Bonds (Legends Apartment Garage & West Lawn Project)”, with such further appropriate particular designation added to or incorporated in such title for the Bonds of any particular series as the Issuer may determine.

Method and Place of Payment of the Bonds

The principal of, or Redemption Price, and interest on the Bonds shall be payable in any coin or currency which, on the respective dates of payment thereof, is legal tender for the payment of public and private debts.

The principal of, Redemption Price or interest payable on each Bond on any Interest Payment Date or Maturity shall be paid to the Bondowner of such Bond as shown on the Bond Register at the close of business on the Record Date for such interest (a) by check or draft mailed by the Trustee to the address of such Bondowner shown on the Bond Register or at such other address as is furnished to the Trustee in writing by such Bondowner or (b) in the case of any payment to any Bondowner of \$500,000 or more in aggregate principal amount of Bonds, by electronic transfer to such Bondowner upon written notice given to the Trustee by such Bondowner, not less than 5 days prior to the Record Date for such interest, containing the electronic transfer instructions including the bank (which shall be in the continental United States), American Bank Association (“ABA”) routing number and account number to which such Bondowner wishes to have such transfer directed.

Notwithstanding the foregoing provisions, any Defaulted Interest with respect to any Bond shall cease to be payable to the Bondowner of such Bond on the relevant Record Date and shall be payable to the Bondowner in whose name such Bond is registered at the close of business on the Special Record Date for the payment of such Defaulted Interest, which Special Record Date shall be fixed as hereinafter specified in this paragraph. The Issuer shall notify the Trustee in writing of the amount of Defaulted Interest proposed to be paid on each Bond and the date of the proposed payment (which date shall be at least 30 days after receipt of such notice by the Trustee) and shall deposit with the Trustee at the time of such notice an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Trustee for such

deposit prior to the date of the proposed payment. Following receipt of such funds the Trustee shall fix a Special Record Date for the payment of such Defaulted Interest which shall be not more than 15 nor less than 10 days prior to the date of the proposed payment. The Trustee shall promptly notify the Issuer of such Special Record Date and, in the name and at the expense of the Issuer, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, by first class mail, postage prepaid, to each Bondowner of a Bond entitled to such notice at the address of such Bondowner as it appears on the Bond Register not less than 10 days prior to such Special Record Date.

The Trustee shall keep a record of payment of principal and Redemption Price of and interest on all Bonds and at least annually shall forward a copy or summary of such records to the Issuer.

Authorization of Additional Bonds

Additional Bonds may be issued under and equally and ratably secured by the Indenture on a parity (except as otherwise provided in the Indenture) with the Series 2018 Bonds and any other Additional Bonds at any time and from time to time, upon compliance with the conditions set forth in the Indenture, for the purpose of (a) financing a portion of the Project Costs to the extent authorized under the Development Agreements, (b) funding reserve deposits and capitalized interest with respect to such Bonds, (c) paying Costs of Issuance and/or (d) refunding all or a portion of a series of Bonds then Outstanding. Any such Additional Bonds shall be authorized by a Supplemental Indenture or Supplemental Indentures of the Issuer adopted pursuant to the Indenture. No Additional Bonds may be issued on a senior lien basis to the Series 2018 Bonds.

Before any Additional Bonds are issued under the provisions of the Indenture, the following requirements shall be satisfied:

(a) The Issuer shall adopt an ordinance (1) authorizing the issuance of such Additional Bonds, fixing the principal amount thereof and describing the purpose or purposes for which such Additional Bonds are being issued, (2) authorizing the Issuer to enter into a Supplemental Indenture for the purpose of issuing such Additional Bonds and establishing the terms and provisions of such series of Bonds and the form of the Bonds of such series, and (3) providing for such other matters as are appropriate because of the issuance of the Additional Bonds, which matters, in the judgment of the Issuer, are not prejudicial to the Issuer or the owners of the Bonds previously issued.

(b) The Issuer shall deliver to the Trustee: (A) a certificate of the Issuer to the effect that no default in the payment of principal, premium, if any, or interest exists with respect to any Parity Bonds; (B) a written report of an independent consultant specifying the projected Revenues for each Bond Year to and including the last Bond Year in which any Parity Bonds are scheduled to mature; and (C) a certificate of the Issuer demonstrating that the projected weighted average life of each outstanding Parity Bond subject to redemption as described in **Section 302(b)** of the Indenture (including the Series 2018 Bonds), after giving effect to the issuance of the proposed Additional Bonds, is not greater than the initial projected weighted average life of such Parity Bond.

Additional Bonds issued shall be dated, shall mature on such dates, shall be numbered, shall bear interest at such rates not exceeding the maximum rate then permitted by law payable at such times, and shall be redeemable at such times and prices (subject to the provisions of the Indenture), all as provided by the Supplemental Indenture authorizing the issuance of such Additional Bonds. Except as to any difference in the date, the maturities, the rates of interest or the provisions for redemption, such Additional Bonds shall be on a parity with and shall be entitled to the same benefit and security of the Indenture as the Series 2018 Bonds and any other Additional Bonds; *provided, however*, that no principal shall be paid on such Additional Bonds from Revenues until all of the Outstanding Series 2018 Bonds are paid or defeased in full.

Such Additional Bonds shall be executed in the manner set forth in the Indenture and shall be deposited with the Trustee for authentication, but prior to or simultaneously with the authentication and delivery of such Additional Bonds by the Trustee, and as a condition precedent thereto, there shall be filed with the Trustee the following:

(a) A copy, certified by the Clerk of the Issuer, of the ordinance adopted by the Issuer authorizing the issuance of such Additional Bonds and the execution of the Supplemental Indenture and supplements to any other Financing Documents as may be necessary.

(b) An original executed counterpart of the Supplemental Indenture, executed by the Issuer and the Trustee, authorizing the issuance of the Additional Bonds, specifying, among other things, the terms thereof, and providing for the disposition of the proceeds of the Additional Bonds.

(c) A request and authorization to the Trustee, on behalf of the Issuer, executed by an Issuer Representative, to authenticate the Additional Bonds and deliver said Additional Bonds to the original purchaser thereof upon payment to the Trustee, for the account of the Issuer, of the purchase price thereof. The Trustee shall be entitled to rely conclusively upon such request and authorization as to the names of the purchasers and the amounts of such purchase price.

(d) An Opinion of Bond Counsel to the effect that all requirements for the issuance of such Additional Bonds have been met and the issuance of such series of Additional Bonds will not result in the interest on any series of Bonds then Outstanding becoming included in gross income for federal income tax purposes.

(e) Such other certificates, statements, receipts, approvals and documents required by any of the Financing Documents or as the Issuer, the State or the Trustee shall reasonably require for the delivery of the Additional Bonds.

Except as provided above, the Issuer will not otherwise issue any obligations on a parity with the Bonds, but the Issuer may issue other obligations specifically subordinate and junior to the Bonds and payable from the Revenues so long as no payments of principal or interest on such bonds are payable while any Bonds are Outstanding.

Refunding Bonds

The Issuer shall have the right to refund all of the Bonds under the provisions of any law then available. The Issuer shall have the right to refund any portion of the Bonds, and the refunding bonds so issued shall enjoy complete equality of pledge with any of the Bonds that are not refunded, if any, upon the funds and accounts pledged under the Indenture; provided, however, that if only a portion of the Bonds are refunded and such partial refunding results in an increase in debt service on the Bonds in any year, then said Bonds may be refunded only (i) by and with the written consent of the Registered Bondowners of a majority in principal amount of the Bonds not refunded or (ii) if the Issuer delivers a certificate demonstrating that the projected weighted average life of each outstanding Parity Bond subject to redemption as described in Section 302(b) of the Indenture (including the Series 2018 Bonds), after giving effect to the issuance of the proposed Refunding Bonds, is not greater than the initial projected weighted average life of such Parity Bond.

Execution and Authentication

The Bonds shall be executed in the name and on behalf of the Issuer by the manual or facsimile signature of its Mayor/CEO and attested by the manual or facsimile signature of its Clerk, and shall have the official seal of the Issuer affixed thereto or imprinted thereon. If any officer whose manual or facsimile signature appears on any Bonds shall cease to hold such office before the authentication and delivery of such Bonds, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such person had remained in office until delivery. Any Bond may be signed by such persons as at the actual time of the execution of such Bond shall be

the proper officers to sign such Bond although at the date of such Bond such persons may not have been such officers.

No Bond shall be secured by, or be entitled to any lien, right or benefit under, the Indenture or be valid or obligatory for any purpose, unless there appears on such Bond a certificate of authentication substantially in the form set forth in or fixed pursuant to the Indenture or the applicable Supplemental Indenture, executed by the Trustee by manual signature of an authorized officer or signatory of the Trustee, and such certificate upon any Bond shall be conclusive evidence, and the only evidence, that such Bond has been duly authenticated and delivered under the Indenture. At any time and from time to time after the execution and delivery of the Indenture, the Issuer may deliver Bonds executed by the Issuer to the Trustee for authentication and the Trustee shall authenticate and deliver such Bonds as provided in the Indenture and not otherwise.

Registration, Transfer and Exchange

The Trustee shall cause to be kept at its principal corporate trust office a register (referred to herein as the “**bond register**”) in which, subject to such reasonable regulations as it may prescribe, the Trustee shall provide for the registration, transfer and exchange of Bonds as provided in the Indenture. The Trustee is appointed “**bond registrar**” for the purpose of registering Bonds and transfers of Bonds as provided in the Indenture.

Bonds may be transferred or exchanged only upon the bond register maintained by the Trustee as provided in the Indenture. Upon surrender of any Bond at the principal corporate trust office of the Trustee, the Trustee shall transfer or exchange such Bond for a new Bond or Bonds in any Authorized Denomination of the same Stated Maturity and in the same aggregate principal amount as the Bond that was presented for transfer or exchange.

Bonds presented for transfer or exchange shall be accompanied by a written instrument or instruments of transfer or authorization for exchange, in a form and with guarantee of signature satisfactory to the Trustee, duly executed by the Bondowner thereof or by the Bondowner’s duly authorized agent.

In all cases in which the privilege of transferring or exchanging Bonds is exercised, the Trustee shall authenticate and deliver Bonds in accordance with the provisions of the Indenture. The fees and expenses of the Trustee for the registration, transfer and exchange of Bonds provided for by the Indenture and the cost of printing a reasonable supply of registered bond blanks shall be paid to the Trustee from the Revenue Fund. Any additional costs or fees that might be incurred in the secondary market, other than fees of the Trustee, are the responsibility of the Bondowners of the Bonds. In the event any Bondowner fails to provide a correct taxpayer identification number to the Trustee, the Trustee may make a charge against such Bondowner sufficient to pay any governmental charge required to be paid as a result of such failure. In compliance with Section 3406 of the Code, such amount may be deducted by the Trustee from amounts otherwise payable to such Bondowner or under the Bonds.

The Issuer and the Trustee shall not be required (a) to register the transfer or exchange of any Bond that has been called for redemption after notice of such redemption has been mailed by the Trustee pursuant to Section 304 of the Indenture and during the period of 15 days next preceding the date of mailing of such notice of redemption; or (b) to register the transfer or exchange of any Bond during a period beginning at the opening of business on the day after receiving written notice from the Issuer of its intent to pay Defaulted Interest and ending at the close of business on the date fixed for the payment of Defaulted Interest pursuant to Section 203 of the Indenture.

The Issuer and the Trustee may deem and treat the Person in whose name any Bond is registered on the Bond Register as the absolute Bondowner of such Bond, whether such Bond is overdue or not, for the purpose of receiving payment of, or on account of, the principal or Redemption Price of and interest on said Bond and for all other purposes. All payments so made to any such Bondowner or upon the Bondowner’s order shall be

valid and effective to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid, and neither the Issuer nor the Trustee shall be affected by any notice to the contrary.

At reasonable times and under reasonable regulations established by the Trustee, the Bond Register may be inspected and copied by the Bondowners (or a designated representative thereof) of 10% or more in principal amount of the Bonds then Outstanding or any designated representative of such Bondowners whose authority is evidenced to the satisfaction of the Trustee.

Mutilated, Destroyed, Lost and Stolen Bonds

If (a) any mutilated Bond is surrendered to the Trustee, or the Trustee receives evidence to its satisfaction of the destruction, loss or theft of any Bond, and (b) there is delivered to the Issuer and the Trustee such security or indemnity as may be required by each of them, then, in the absence of notice to the Issuer or the Trustee that such Bond has been acquired by a bona fide purchaser, the Issuer shall execute and, upon the Issuer's request, the Trustee shall authenticate and deliver, in exchange for or in lieu of any such mutilated, destroyed, lost or stolen Bond, a new Bond of the same Stated Maturity and of like tenor and principal amount.

In case any such mutilated, destroyed, lost or stolen Bond has become or is about to become due and payable, the Issuer in its discretion may pay such Bond instead of issuing a new Bond.

Upon the issuance of any new Bond under the Indenture, the Issuer may require the payment by the Bondowner of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of the Trustee) connected therewith.

Every new Bond issued pursuant to the above shall constitute a replacement of the prior obligation of the Issuer, and shall be entitled to all the benefits of the Indenture equally and ratably with all other Outstanding Bonds.

Payments Due on Saturdays, Sundays and Holidays

In any case where an Interest Payment Date is not a Business Day, then payment of principal, Redemption Price or interest need not be made on such Interest Payment Date but may be made on the next succeeding Business Day with the same force and effect as if made on such Interest Payment Date, and no interest shall accrue for the period after such Interest Payment Date.

Nonpresentment of Bonds

If any Bond is not presented for payment when the principal thereof becomes due at Maturity, if funds sufficient to pay such Bond have been made available to the Trustee all liability of the Issuer to the Bondowner thereof for the payment of such Bond shall forthwith cease, determine and be completely discharged, and thereupon it shall be the duty of the Trustee to hold such funds, without liability for interest thereon, for the benefit of the Bondowner of such Bond, who shall thereafter be restricted exclusively to such funds for any claim of whatever nature on his part under the Indenture or on, or with respect to, said Bond. If any Bond is not presented for payment within four years following the date when such Bond becomes due at Maturity, the Trustee shall repay to the Issuer the funds theretofore held by it for payment of such Bond, and such Bond shall, subject to the defense of any applicable statute of limitation, thereafter be an unsecured obligation of the Issuer, and the Bondowner thereof shall be entitled to look only to the Issuer for payment, and then only to the extent of the amount so repaid to it by the Trustee, and the Issuer shall not be liable for any interest thereon and shall not be regarded as a trustee of such money.

Redemption of Bonds Generally

The Series 2018 Bonds are subject to redemption prior to maturity in accordance with their terms and the terms and provisions set forth in the Indenture. Additional Bonds shall be subject to redemption prior to maturity in accordance with the applicable terms and provisions contained in the Indenture and as may be specified in such Additional Bonds and the Supplemental Indenture authorizing such Additional Bonds.

Creation of Funds and Accounts

There is created and ordered to be established the following separate fund of the Issuer, which fund shall be held in the custody of the Issuer pursuant to the Indenture:

- (a) Legends Apartments Garage & West Lawn CID Fund (the “CID Fund”).

Said funds and accounts shall be segregated and kept separate and apart from all other moneys, revenues, funds and accounts of the Issuer and shall not be commingled with any other moneys, revenues, funds and accounts of the Issuer. The funds and accounts referred to above shall be maintained and administered in the manner provided in the Indenture so long as any of the Bonds remain Outstanding.

There are created and ordered to be established in the custody of the Trustee the following special trust funds in the name of the Issuer to be designated as follows:

- (a) Costs of Issuance Fund.
- (b) Project Fund and within such Project Fund two (2) separate and segregated trust accounts designated the “West Lawn Account” and the “Garage Account” and within the Garage Account a “Bond Proceeds Subaccount” and a “CID Proceeds Subaccount.”
- (c) Debt Service Fund, and within such fund a separate and segregated trust account designated the “Redemption Account.”
- (d) Debt Service Reserve Fund.
- (e) Rebate Fund.
- (f) Revenue Fund.

Said funds and accounts shall be segregated and kept separate and apart from all other moneys, revenues, funds and accounts of the Trustee and shall not be commingled with any other moneys, revenues, funds and accounts of the Trustee. The funds and accounts referred to above shall be maintained and administered in the manner provided in the Indenture so long as any of the Bonds remain Outstanding.

Deposit of Bond Proceeds and Other Moneys

The net proceeds received from the sale of the Series 2018 Bonds shall be deposited simultaneously with the delivery of the Series 2018 Bonds in accordance with the terms of the Indenture.

The Issuer shall deposit with the Trustee all of the net proceeds of each series of Additional Bonds, and the Trustee shall apply such proceeds, together with other moneys deposited with the Trustee, as provided in the Supplemental Indenture authorizing the issuance of such series of Additional Bonds. All Revenues will be deposited into similar accounts as set forth in the Indenture for any Additional Bonds.

Costs of Issuance Fund

Moneys in the Costs of Issuance Fund shall be used to pay the Costs of Issuance after receipt by the Trustee of written disbursement requests signed by the Authorized Issuer Representative. Any funds remaining in the Costs of Issuance Fund, after payment of all Costs of Issuance, but not later than 60 days from the Closing Date shall be transferred to the Project Fund.

Project Fund

Moneys in the Garage Account of the Project Fund shall be used to pay Project Costs after receipt by the Trustee of written disbursement requests signed by the Authorized Issuer Representative. Moneys shall be drawn first from the CID Proceeds Subaccount of the Garage Account until the funds in that subaccount have been fully expended, then moneys shall be drawn from the Garage Bond Proceeds Subaccount.

Moneys in the West Lawn Account of the Project Fund shall be used to pay Project Costs after receipt by the Trustee of written disbursement requests signed by the Authorized Issuer Representative.

In making such payments, the Trustee may rely upon such written requests and accompanying certificates and statements and shall not be required to make any independent investigation in connection therewith. It is expressly agreed and understood by the parties, including the Issuer, the Apartments and Garage Developer and the West Lawn Developer, that the Trustee shall not have any responsibility in determining if costs paid are permitted costs. If the Issuer, the Apartments and Garage Developer or the West Lawn Developer so requests a copy of each written disbursement request submitted to the Trustee for payment under this section, such copies of the disbursement requests shall be promptly provided by the Trustee to the requesting party. The Trustee shall keep and maintain adequate records pertaining to the Project Fund and all disbursements therefrom, and shall file periodic statements of activity regarding the Project Fund with the Issuer.

Notwithstanding any other provision of the Indenture, in the event that proceeds of the Series 2018 Bonds remain in the Project Fund established with respect to the Series 2018 Bonds on October 1, 2021, the Trustee shall automatically transfer such proceeds to the Debt Service Fund and apply such amount to redeem the Series 2018 Bonds on December 1, 2021 pursuant to the Indenture.

Debt Service Fund

The Trustee shall make deposits and credits to the Debt Service Fund, as and when received, including the amounts required to be deposited therein by the Indenture.

The moneys in the Debt Service Fund shall be held in trust and shall be applied solely in accordance with the provisions of the Indenture to pay the principal of and redemption premium, if any, and interest on the Bonds as the same become due and payable. Except as otherwise provided herein or in the Tax Compliance Agreement, moneys in the Debt Service Fund shall be expended solely as follows: (a) to pay interest on the Bonds as the same becomes due; (b) to pay principal of the Bonds as the same mature or become due and upon special mandatory redemption thereof; and (c) to pay principal of and redemption premium, if any, on the Bonds as the same become due upon redemption prior to maturity.

The Issuer authorizes and directs the Trustee to withdraw sufficient funds from the Debt Service Fund to pay principal of, redemption premium, if any, and interest on the Bonds as the same become due and payable at maturity or upon redemption and to make said funds so withdrawn available to the Trustee and any Paying Agent for the purpose of paying said principal, redemption premium, if any, and interest.

The Trustee shall make any transfers from the Debt Service Fund to the Rebate Fund to the extent required to do so by the Tax Compliance Agreement.

After payment in full of the principal of, redemption premium, if any, and interest on the Bonds (or after provision has been made for the payment thereof as provided in the Indenture), all arbitrage rebate to the United States and the fees, charges and expenses of the Trustee, any Paying Agents, and any other amounts required to be paid under the Indenture, all amounts remaining in the Debt Service Fund shall be paid to the Issuer.

Debt Service Reserve Fund

Except as otherwise provided in the Indenture, moneys in the Debt Service Reserve Fund shall be used by the Trustee without further authorization solely for the payment of the principal of and interest on the Bonds if moneys otherwise available for such purpose as provided in the Indenture are insufficient to pay the same as they become due and payable. In the event the balance of moneys in the Debt Service Fund is insufficient to pay principal of or interest on the Bonds when due and payable, moneys in the Debt Service Reserve Fund shall be transferred into the Debt Service Fund in an amount sufficient to make up such deficiency. The Trustee may use moneys in the Debt Service Reserve Fund for such purpose whether or not the amount in the Debt Service Reserve Fund at that time equals the Debt Service Reserve Requirement. Such moneys shall be used first to make up any deficiency in the payment of interest and then principal. Moneys in the Debt Service Reserve Fund shall also be used to pay the last Bonds becoming due (including redemption prior to maturity if otherwise permitted herein) unless such Bonds and all interest thereon be otherwise paid.

The amount on deposit in the Debt Service Reserve Fund shall be valued by the Trustee 35 days prior to each Interest Payment Date (or if such date is not a Business Day, the immediately preceding Business Day) and the Trustee shall give immediate written notice to the Issuer and the Developers if such amount is less than the Debt Service Reserve Requirement. For the purpose of determining the amount on deposit in the Debt Service Reserve Fund, the value of any investments shall be valued at their fair market value on the date of valuation. Moneys in the Debt Service Reserve Fund that are in excess of the Debt Service Reserve Requirement shall be deposited by the Trustee without further authorization into the Debt Service Fund.

After payment in full of the principal of, redemption premium, if any, and interest on the Bonds (or provision has been made for the payment thereof as specified in the Indenture), and the fees, charges and expenses of the Trustee and any Paying Agents and any other amounts required to be paid under the Indenture, all amounts remaining in the Debt Service Reserve Fund shall be paid to the Issuer.

Rebate Fund

There shall be deposited in the Rebate Fund such amounts as are required to be deposited therein pursuant to the Tax Compliance Agreement. All money at any time deposited in the Rebate Fund shall be held in trust, to the extent required to satisfy the Rebate Amount (as defined in the Tax Compliance Agreement), for payment to the United States of America, and neither the Issuer nor the Bondowner of any Bonds shall have any rights in or claim to such money. All amounts deposited into or on deposit in the Rebate Fund shall be governed by the Indenture and the Tax Compliance Agreement (which is incorporated herein by reference).

The Issuer shall periodically determine the amount of any arbitrage rebate under Section 148(f) of the Code in accordance with the Tax Compliance Agreement, and the Trustee shall make payments to the United States of America at the times and in the amounts determined under the Tax Compliance Agreement. Any moneys remaining in the Rebate Fund after redemption and payment of all of the Bonds and payment and satisfaction of any Rebate Amount, or provision made therefor, shall be paid to the Issuer.

Notwithstanding any other provision of the Indenture, including in particular Article XII thereof, the obligation to pay arbitrage rebate to the United States of America and to comply with all other requirements of this section and the Tax Compliance Agreement shall survive the defeasance or payment in full of the Bonds.

Transfer of Revenues

The Issuer covenants and agrees that from and after the delivery of the Bonds and continuing so long as any of the Bonds shall remain Outstanding, it will, no later than March 31st, June 30th, September 30th, and December 31st of each year, beginning no later than June 30, 2018, transfer the Revenues to the Trustee for deposit to the Revenue Fund.

Deposits of Money

Moneys in each of the funds and accounts created by and referred to in the Indenture shall be continuously and adequately secured as provided by the laws of the State and invested in Permitted Investments. All moneys deposited with or paid to the Trustee for the account of the various funds established under the Indenture shall be held in trust and shall be applied only in accordance with the Indenture and, until used or applied as herein provided, shall constitute part of the Trust Estate (except for the Rebate Fund) and be subject to the lien thereof.

Investment of Moneys

Moneys held under the Indenture in any fund or account referred to in the Indenture shall be invested at the written direction of the Issuer in Permitted Investments; provided, however, that no such investment shall be made for a period extending longer than the date when the moneys invested may be needed for the purpose for which such fund was created. If the Issuer fails to provide written direction to the Trustee, the Trustee may invest and reinvest money in the funds held by it as provided in the Indenture. After the Trustee has notice of the existence of an Event of Default, the Trustee shall direct the investment of moneys in Permitted Investments. All earnings on any investments held in any fund shall be deposited into the Debt Service Fund.

Limited Obligations

The Bonds and the interest thereon shall be special, limited obligations of the Issuer payable (except to the extent paid out of Bond proceeds or the income from the temporary investment thereof) solely out of the Revenues and are secured by a transfer, pledge and assignment of and a grant of a security interest in the Trust Estate to the Trustee and in favor of the Bondowners. The Bonds and interest thereon shall not be deemed to constitute a debt or liability of the State or of any political subdivision thereof within the meaning of any state constitutional provision or statutory limitation and shall not constitute a pledge of the full faith and credit of the State or of any political subdivision thereof, but shall be payable solely from Revenues and the funds held under the Indenture. The issuance of the Bonds shall not, directly, indirectly or contingently, obligate the State, the Issuer or any political subdivision thereof to levy any form of taxation therefor or to make any appropriation for their payment. The State shall not in any event be liable for the payment of the principal of, redemption premium, if any, or interest on the Bonds or for the performance of any pledge, mortgage, obligation or agreement of any kind whatsoever which may be undertaken by the Issuer. No breach by the Issuer of any such pledge, mortgage, obligation or agreement may impose any liability, pecuniary or otherwise, upon the State or any charge upon its general credit or against its taxing power.

Payment of Bonds

The Issuer shall duly and punctually pay, but solely from the sources specified in the Indenture, the principal of, redemption premium, if any, and interest on the Bonds in accordance with the terms of the Bonds and the Indenture.

Performance of Covenants

The Issuer shall (to the extent within its control) faithfully perform at all times any and all covenants, undertakings, stipulations and provisions contained in the Indenture, in the Bonds and in all proceedings pertaining thereto.

Inspection of Books

The Issuer covenants and agrees that all books and documents in its possession relating to the Bonds, the Indenture, the Apartments and Garage Development Agreement and the West Lawn Development Agreement, and the transactions relating thereto shall at all reasonable times be open to inspection by such accountants or other agencies or Persons as the Trustee may from time to time designate. The Trustee covenants and agrees that all books and documents in its possession relating to the Bonds, the Indenture, the Apartments and Garage Development Agreement and the West Lawn Development Agreement, and the transactions relating thereto shall be open to inspection by the Issuer and the Developers during business hours upon reasonable notice. The Trustee further covenants and agrees that any records relating to the Bonds available by electronic access such as account balances, fund balances and online statements shall be made available to the Issuer and the Developers.

Enforcement of Rights

The Issuer agrees that the Trustee, as assignee, transferee, pledgee, and owner of a security interest under the Indenture in its name or in the name of the Issuer may enforce all rights of the Issuer and the Trustee and all obligations of the Apartments and Garage Developer and the West Lawn Developer under and pursuant to the Development Agreements and any other Financing Documents for and on behalf of the Bondowners, whether or not the Issuer is in default under the Indenture. The Apartments and Garage Development Agreement, the West Lawn Development Agreement and all other Financing Documents shall be delivered to and held by the Trustee.

Tax Covenants

The Issuer covenants and agrees that (1) it will comply with all applicable provisions of the Code, including Sections 103 and 141 through 150, as may be necessary to maintain the exclusion from gross income for federal income tax purposes of the interest on the Bonds and (2) it will comply with the provisions of the Tax Compliance Agreement. The Trustee agrees to comply with the provisions of the Tax Compliance Agreement and with any statute, regulation or ruling that may apply to it as Trustee and relating to reporting principal and interest payments on the Bonds or other requirements necessary to preserve the exclusion from federal gross income of the interest on the Bonds.

Continuing Disclosure

Under the Continuing Disclosure Agreement with respect to the Series 2018 Bonds, the Issuer and the West Lawn Developer have undertaken all responsibility for compliance with continuing disclosure requirements with respect to S.E.C. Rule 15c2-12. The Issuer covenants and agrees that it will comply with and carry out all of the provisions of the Issuer Continuing Disclosure Agreement. Notwithstanding any other provision of the Indenture, failure of the Issuer, the West Lawn Developer or the dissemination agent to comply with a Continuing Disclosure Agreement shall not be considered an event of default under the Indenture, and the sole remedy in the event of such failure shall be such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause such Person to comply with its obligations under the Continuing Disclosure Agreement.

Development Agreement

The Issuer agrees that it will not enter into any amendment to the Apartments and Garage Development Agreement or West Lawn Development Agreement that would have a material adverse effect on the amount of Revenues or the timing of Revenues to be transferred to the Trustee.

No Repeal of City Sales Tax

So long as any Bonds are outstanding, the Issuer shall not adopt an ordinance repealing the CID Sales Tax.

Special Indenture Covenants of the Issuer

Pursuant to the Indenture and while any Bonds are Outstanding, the Issuer covenants and agrees that it will not adopt an ordinance reducing or repealing the CID Sales Tax. Except as authorized in the Indenture, the Issuer shall not issue any bonds or incur other obligations that are secured by the CID Sales Tax. Pursuant to the Indenture and while any Bonds are Outstanding, the Issuer covenants and agrees that it will not amend the Development Agreements in any manner that would have a material adverse impact on the Revenues.

Events of Default

The term “Event of Default,” wherever used in the Indenture, means any one of the following events (whatever the reason for such event and whether it shall be voluntary or involuntary or be effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body):

(a) default in the payment of any interest on any Bond when such interest becomes due and payable; or

(b) default in the payment of the principal of (or premium, if any, on) any Bond when the same becomes due and payable (whether at maturity, upon proceedings for redemption, or otherwise); or

(c) default in the performance, or breach, of any covenant or agreement of the Issuer in the Indenture (other than a covenant or agreement a default in the performance or breach of which is specifically dealt with elsewhere in the Indenture), and continuance of such default or breach for a period of 60 days after there has been given to the Issuer by the Trustee or to the Issuer and the Trustee by the owners of at least 10% in principal amount of the Bonds Outstanding, a written notice specifying such default or breach and requiring it to be remedied; provided, that if such default cannot be fully remedied within such 60-day period, but can reasonably be expected to be fully remedied, such default shall not constitute an Event of Default if the Issuer shall immediately upon receipt of such notice commence the curing of such default and shall thereafter prosecute and complete the same with due diligence and dispatch.

The Trustee shall give written notice, as provided in the Indenture, to the Issuer as promptly as practicable after the occurrence of an Event of Default of which the Trustee has notice as provided in the Indenture.

No Acceleration of Maturity

The Bonds shall not in any event be subject to acceleration prior to maturity.

Exercise of Remedies by the Trustee

Upon the occurrence and continuance of any Event of Default under the Indenture, unless the same is waived as provided in the Indenture, the Trustee shall have the following rights and remedies, in addition to any other rights and remedies provided under the Indenture or by law:

(a) *Right to Bring Suit, Etc.* The Trustee may pursue any available remedy at law or in equity by suit, action, mandamus or other proceeding to enforce the payment of the principal of,

premium, if any, and interest on the Outstanding Bonds, including interest on overdue principal (and premium, if any) and on overdue installments of interest, and any other sums due under the Indenture, to realize on or to foreclose any of its interests or liens under the Indenture or any other Financing Document, to enforce and compel the performance of the duties and obligations of the Issuer as set forth in the Indenture and to enforce or preserve any other rights or interests of the Trustee under the Indenture with respect to any of the Trust Estate or otherwise existing at law or in equity.

(b) *Exercise of Remedies at Direction of Bondowners.* If requested in writing to do so by the owners of not less than a majority in principal amount of Outstanding Bonds and if indemnified as provided in the Indenture, the Trustee shall be obligated to exercise such one or more of the rights and remedies conferred by Article IX of the Indenture as the Trustee, being advised by counsel, shall deem most expedient in the interests of the Bondowners.

(c) *Appointment of Receiver.* Upon the filing of a suit or other commencement of judicial proceedings to enforce the rights of the Trustee and of the Bondowners under the Indenture, the Trustee shall be entitled, as a matter of right, to the appointment of a receiver or receivers of the Trust Estate, pending such proceedings, with such powers as the court making such appointment shall confer.

(d) *Suits to Protect the Trust Estate.* The Trustee shall have power to institute and to maintain such proceedings as it may deem expedient to prevent any impairment of the Trust Estate by any acts which may be unlawful or in violation of the Indenture and to protect its interests and the interests of the Bondowners in the Trust Estate, including power to institute and maintain proceedings to restrain the enforcement of or compliance with any governmental enactment, rule or order that may be unconstitutional or otherwise invalid, if the enforcement of or compliance with such enactment, rule or order would impair the security under the Indenture or be prejudicial to the interests of the Bondowners or the Trustee, or to intervene (subject to the approval of a court of competent jurisdiction) on behalf of the Bondowners in any judicial proceeding to which the Issuer is a party and which in the judgment of the Trustee, being advised by counsel, has a substantial bearing on the interests of the Bondowners.

(e) *Enforcement Without Possession of Bonds.* All rights of action under the Indenture or any of the Bonds may be enforced and prosecuted by the Trustee without the possession of any of the Bonds or the production thereof in any suit or other proceeding relating thereto, and any such suit or proceeding instituted by the Trustee shall be brought in its own name as trustee of an express trust. Any recovery of judgment shall, after provision for the payment of the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, and subject to the provisions of Section 907 of the Indenture, be for the equal and ratable benefit of the owners of the Bonds in respect of which such judgment has been recovered.

(f) *Restoration of Positions.* If the Trustee or any Bondowner has instituted any proceeding to enforce any right or remedy under the Indenture by suit, foreclosure, the appointment of a receiver, or otherwise, and such proceeding has been discontinued or abandoned for any reason, or has been determined adversely to the Trustee or to such Bondowner, then and in every case the Issuer, the Trustee and the Bondowners shall, subject to any determination in such proceeding, be restored to their former positions and rights under the Indenture, and thereafter all rights and remedies of the Trustee and the Bondowners shall continue as though no such proceeding had been instituted.

Trustee May File Proofs of Claim

In case of the pendency of any receivership, insolvency, liquidation, bankruptcy, reorganization, arrangement, adjustment, composition or other judicial proceeding relative to the Issuer or any other obligor upon the Bonds or of such other obligor or their creditors, the Trustee (irrespective of whether the principal of the Bonds shall then be due and payable, as therein expressed or by declaration or otherwise, and irrespective of

whether the Trustee shall have made any demand on the Issuer for the payment of overdue principal, premium or interest) shall be entitled and empowered, by intervention in such proceeding or otherwise,

(a) to file and prove a claim for the whole amount of principal, premium, if any, and interest owing and unpaid in respect of the Outstanding Bonds and to file such other papers or documents as may be necessary or advisable in order to have the claims of the Trustee (including any claim for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel) and of the Bondowners allowed in such judicial proceeding, and

(b) to collect and receive any moneys or other property payable or deliverable on any such claims and to distribute the same;

and any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is authorized by each Bondowner to make such payments to the Trustee, and in the event that the Trustee shall consent to the making of such payments directly to the Bondowners, to pay to the Trustee any amount due to it for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, and any other amounts due the Trustee under the Indenture.

Nothing contained in the Indenture shall be deemed to authorize the Trustee to authorize or consent to or accept or adopt on behalf of any Bondowner any plan of reorganization, arrangement, adjustment or composition affecting the Bonds or the rights of any owner thereof, or to authorize the Trustee to vote in respect of the claim of any Bondowner in any such proceeding.

Limitation on Suits by Bondowners

No Bondowner shall have any right to institute any proceeding, judicial or otherwise, under or with respect to the Indenture, or for the appointment of a receiver or trustee or for any other remedy under the Indenture, unless

(a) such owner has previously given written notice to the Trustee of a continuing Event of Default;

(b) the owners of not less than a majority in principal amount of the Bonds Outstanding shall have made written request to the Trustee to institute proceedings in respect of such Event of Default in its own name as Trustee under the Indenture;

(c) such owner or owners have offered to the Trustee indemnity as provided in the Indenture against the costs, expenses and liabilities to be incurred in compliance with such request;

(d) the Trustee for **60** days after its receipt of such notice, request and offer of indemnity has failed to institute any such proceeding; and

(e) no direction inconsistent with such written request has been given to the Trustee during such **60**-day period by the owners of a majority in principal amount of the Outstanding Bonds;

it being understood and intended that no one or more owners of Bonds shall have any right in any manner whatever by virtue of, or by availing of, any provision of the Indenture to affect, disturb or prejudice the lien of the Indenture or the rights of any other owners of Bonds, or to obtain or to seek to obtain priority or preference over any other owners or to enforce any right under the Indenture, except in the manner provided in the Indenture and for the equal and ratable benefit of all Outstanding Bonds.

Notwithstanding the foregoing or any other provision in the Indenture, however, the owner of any Bond shall have the right, which is absolute and unconditional, to receive payment of the principal of, premium, if any, and interest on such Bond on the respective stated maturities expressed in such Bond (or, in the case of

redemption, on the redemption date), and nothing contained in the Indenture shall affect or impair the right of any owner to institute suit for the enforcement of any such payment.

Control of Proceedings by Bondowners

The owners of a majority in principal amount of the Outstanding Bonds shall have the right, during the continuance of an Event of Default, provided indemnity has been provided to the Trustee in accordance with the Indenture:

(a) to require the Trustee to proceed to enforce the Indenture, either by judicial proceedings for the enforcement of the payment of the Bonds and the foreclosure of the Indenture, or otherwise; and

(b) to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee under the Indenture, provided that

(1) such direction shall not be in conflict with any rule of law or the Indenture,

(2) the Trustee, upon the advice of counsel, may take any other action deemed proper by the Trustee which is not inconsistent with such direction, and

(3) the Trustee, upon the advice of counsel, shall not determine that the action so directed would be unjustly prejudicial to the owners not taking part in such direction.

Application of Moneys Collected

Any moneys collected by the Trustee pursuant to the Indenture together with any other sums then held by the Trustee as part of the Trust Estate (after the deductions for payment of reasonable costs and expenses of proceedings resulting in the collection of such moneys) shall be applied in the following order, at the date or dates fixed by the Trustee and, in case of the distribution of such money on account of principal (or premium, if any) or interest, upon presentation of the Bonds and the notation thereon of the payment if only partially paid and upon surrender thereof if fully paid:

(a) **First:** To the payment of all undeducted amounts due the Trustee under the Indenture;

(b) **Second:**

(1) If the principal of all the Bonds shall not have become and shall not have been declared due and payable, all such moneys shall be applied:

First: To the payment to the persons entitled thereto of all installments of interest then due on the Bonds, in the order of the maturity of the installments of such interest, and, if the amount available shall not be sufficient to pay in full any particular installment, then to the payment ratably, according to the amounts due on such installment, to the persons entitled thereto, without any discrimination or privilege; and

Second: To the payment to the persons entitled thereto of the unpaid principal and premium, if any, on the Bonds which shall have become due (other than Bonds called for redemption or for payment of which moneys are held pursuant to the provisions of the Indenture), in the order of the scheduled dates of their payment, and, if the amount

available shall not be sufficient to pay in full Bonds due on any particular date, then to the payment ratably, according to the amount of principal and premium due on such date, to the persons entitled thereto without any discrimination or privilege.

(2) If the principal of all the Bonds shall have become due or shall have been declared due and payable, all such moneys shall be applied to the payment of the principal, premium, if any, and interest then due and unpaid upon the Bonds without preference or priority of principal, premium or interest over the others, or of any installment of interest over any other installment of interest, or of any Bond over any other Bond, ratably, according to the amounts due respectively for principal, premium, if any, and interest to the persons entitled thereto without any discrimination or privilege.

(c) **Third:** To the payment of the remainder, if any, to the Issuer or to whosoever may be lawfully entitled to receive the same or as a court of competent jurisdiction may direct.

Whenever moneys are to be applied by the Trustee pursuant to these provisions, such moneys shall be applied by it at such times, and from time to time, as the Trustee shall determine, having due regard for the amount of such moneys available for application and the likelihood of additional moneys becoming available for such application in the future. Whenever the Trustee shall apply such moneys, it shall fix the date (which shall be an Interest Payment Date unless it shall deem another date more suitable) upon which such application is to be made and upon such date interest on the amounts of principal to be paid on such date shall cease to accrue. The Trustee shall give such notice as it may deem appropriate of the deposit with it of any such moneys and of the fixing of any such date, and shall not be required to make payment to the owner of any unpaid Bond until such Bond shall be presented to the Trustee for appropriate endorsement or for cancellation if fully paid.

Rights and Remedies Cumulative

No right or remedy in the Indenture conferred upon or reserved to the Trustee or to the Bondowners is intended to be exclusive of any other right or remedy, and every right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given under the Indenture or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy under the Indenture, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Delay or Omission Not Waiver

No delay or omission of the Trustee or of any owner of any Bond to exercise any right or remedy accruing upon an Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right and remedy given by the Indenture or by law to the Trustee or to the Bondowners may be exercised from time to time, and as often as may be deemed expedient, by the Trustee or by the Bondowners, as the case may be.

Waiver of Past Defaults

Before any judgment or decree for payment of money due has been obtained by the Trustee as provided in the Indenture, the owners of a majority in principal amount of the Bonds Outstanding may, by written notice delivered to the Trustee and the Issuer, on behalf of the owners of all such Bonds waive any past default under the Indenture and its consequences, except a default

(a) in the payment of the principal of, premium, if any, or interest on any Bond, or

(b) in respect of a covenant or provision of the Indenture which cannot be modified or amended without the consent of the owner of each Outstanding Bond affected.

Upon any such waiver, such default shall cease to exist, and any Event of Default arising therefrom shall be deemed to have been cured, for every purpose of the Indenture; but no such waiver shall extend to or affect any subsequent or other default or impair any right or remedy consequent thereon.

Acceptance of Trusts; Certain Duties and Responsibilities

The Trustee accepts and agrees to execute the trusts imposed upon it by the Indenture, and agrees to perform said trusts as a corporate trustee ordinarily would perform said trusts under a corporate indenture, but only upon and subject to the following express terms and conditions, and no implied covenants or obligations shall be read into the Indenture against the Trustee:

(a) Except during the continuance of an Event of Default,

(1) the Trustee undertakes to perform such duties and only such duties as are specifically set forth in the Indenture, and no implied covenants or obligations shall be read into the Indenture against the Trustee; and

(2) in the absence of bad faith on its part, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Trustee and conforming to the requirements of the Indenture.

(b) If an Event of Default has occurred and is continuing, the Trustee shall exercise such of the rights and powers vested in it by the Indenture, and use the same degree of care and skill in their exercise, as a prudent person would exercise or use under the circumstances in the conduct of its own affairs in exercising any rights or remedies or performing any of its duties thereunder.

(c) No provision of the Indenture shall be construed to relieve the Trustee from liability for its own gross negligent action, its own gross negligent failure to act, or its own willful misconduct, except that

(1) this subsection shall not be construed to limit the effect of subsection (a) above;

(2) the Trustee shall not be liable for any error of judgment made in good faith by an authorized officer of the Trustee, unless it shall be proved that the Trustee was grossly negligent in ascertaining the pertinent facts;

(3) the Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the owners of a majority in principal amount of the Outstanding Bonds relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, under the Indenture; and

(4) no provision of the Indenture shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties thereunder, or in the exercise of any of its rights or powers.

(d) Whether or not therein expressly so provided, every provision of the Indenture relating to the conduct or affecting the liability of or conveying insights and duties or affording protection to the

Trustee, whether in its capacity as Trustee, Paying Agent, bond registrar or any other capacity, shall be subject to the provisions of the Indenture.

Certain Rights of Trustee

Except as otherwise provided under the above caption "Acceptance of Trusts; Certain Duties and Responsibilities":

(a) The Trustee may rely and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties.

(b) The Trustee shall be entitled to rely upon an Officer's Certificate as to the sufficiency of any request or direction of the Issuer mentioned herein, the existence or non-existence of any fact or the sufficiency or validity of any instrument, paper or proceeding, or that a resolution in the form therein set forth has been adopted by the Issuer has been duly adopted, and is in full force and effect, and prior to the occurrence of default of which the Trustee has been notified as provided in the Indenture or of which the Trustee is deemed to have notice, the Trustee may also accept a similar certificate to the effect that any particular dealing, transactions or action is necessary or expedient, and may at its discretion secure such further evidence deemed necessary or advisable but shall in no case be bound to secure the same.

(c) Whenever in the administration of the Indenture the Trustee shall deem it desirable that a matter be proved or established prior to taking, suffering or omitting any action thereunder, the Trustee (unless other evidence be herein specifically prescribed) may, in the absence of bad faith on its part, rely upon an Officer's Certificate.

(d) The Trustee may consult with counsel, and the advice of such counsel or any Opinion of Counsel shall be full and complete authorization and protection in respect of any action taken, suffered or omitted by the Trustee in good faith and in reliance thereon.

(e) Notwithstanding anything in the Indenture to the contrary, the Trustee shall be under no obligation to exercise any of the rights or powers vested in it by the Indenture whether at the request or direction of any of the Bondowners pursuant to the Indenture or otherwise, unless such Bondowners or other party shall have offered to the Trustee reasonable security or indemnity satisfactory to the Trustee against the fees, advances, costs, expenses and liabilities (except as may result from the Trustee's own negligence or willful misconduct) which might be incurred by it in connection with such rights or powers.

(f) The Trustee may rely conclusively and shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, or other paper or document, but the Trustee, in its discretion, may make such further inquiry or investigation into such facts or matters as it may see fit, and, if the Trustee shall determine to make such further inquiry or investigation, it shall be entitled to examine the books, records and premises of the Issuer, personally or by agent or attorney.

(g) The Trustee assumes no responsibility for the correctness of the recitals contained in the Indenture and in the Bonds, except the certificate of authentication on the Bonds. The Trustee shall not be responsible for the recording or re-recording, filing or re-filing of the Indenture or any financing statements (other than continuation statements) in connection therewith, or for the execution by the Issuer of the Indenture or of any Supplemental Indenture or instruments of further assurance. The Trustee makes no representations to the value or condition of the Trust Estate or any part thereof, or as to the title thereto or as to the security afforded thereby or hereby, or as to the validity or sufficiency of

the Indenture or of the Bonds. The Trustee shall not be accountable for the use or application by the Issuer, the Apartments and Garage Developer or the West Lawn Developer of any of the Bonds or the proceeds thereof or of any money paid to or upon the order of the Issuer or the Apartments and Garage Developer or West Lawn Developer under any provision of the Indenture.

(h) The Trustee, in its individual or any other capacity, may become the owner or pledgee of Bonds and may otherwise deal with the Issuer with the same rights it would have if it were not Trustee.

(i) All money received by the Trustee shall, until used or applied or invested as herein provided, be held in trust for the purposes for which they were received. Money held by the Trustee in trust thereunder need not be segregated from other funds except to the extent required by law or by the Indenture. The Trustee shall be under no liability for interest on any money received by it thereunder and invested as authorized and directed pursuant to the Indenture. The Trustee shall not be responsible or liable for any loss suffered in connection with any investment of moneys made by it in accordance with the Indenture.

(j) The Trustee may execute any of the trusts or powers thereunder or perform any duties thereunder either directly or by or through agents, receivers or attorneys and the Trustee shall not be responsible for any misconduct or negligence on the part of any agent, receiver or attorney appointed with due care by it thereunder, and may in all cases pay such reasonable compensation to all such agents, attorneys and receivers as may reasonably be employed in connection with the trusts thereof.

(k) Notwithstanding anything elsewhere in the Indenture contained, before taking any action under the Indenture, the Trustee may require that satisfactory indemnity be furnished to it for the reimbursement of all reasonable costs and expenses (including without limitation attorney's fees and expenses) to which it may be put and to protect it against all liability which it may incur in or by reason of such action.

(l) The Trustee may elect not to proceed in accordance with the directions of the Bondowners without incurring any liability to the Bondowners if in the opinion of the Trustee such direction may result in environmental liability to the Trustee, in its individual capacity for which the Trustee has not received indemnity pursuant to the Indenture from the Bondowners, and the Trustee may rely upon an Opinion of Counsel addressed to the Issuer and the Trustee in determining whether any action directed by the Bondowners may result in such liability.

(m) The Trustee may inform the Bondowners of environmental hazards that the Trustee has reason to believe exist, and the Trustee has the right to take no further action and, in such event no fiduciary duty exists, which imposes any obligation for further action with respect to the Trust Estate or any portion thereof if the Trustee, in its individual capacity, determines that any such action would materially and adversely subject the Trustee to environmental or other liability for which the Trustee has not received adequate indemnity pursuant to the Indenture.

(n) The permissive right of the Trustee to do things enumerated in the Indenture shall not be construed as a duty, and the Trustee shall not be answerable for other than its gross negligence or its willful misconduct.

(o) The Trustee shall not be required to give any bond or security in respect of the execution of the said trusts and powers or otherwise in respect to the premises.

(p) At any and all reasonable times the Trustee and its duly authorized agents, attorneys, experts, engineers, accountants and representatives shall have the right, but shall not be required, to inspect any and all books, papers and records of the Issuer, the Apartments and Garage Developer or

West Lawn Developer pertaining to the Trust Estate and the Bonds, and to take such memoranda from and in regard thereto as may be desired.

(q) The Trustee shall have the right, but shall not be required, to demand, with respect to the execution of any Bonds, the withdrawal of any cash, the release of any property, or any action whatsoever within the purview of the Indenture, any showings, certificates, opinions, appraisals or other information, or corporate action or evidence thereof, in addition to that by the terms thereof required, as a condition of such action by the Trustee deemed desirable for the purpose of establishing the right to the withdrawal of any cash, the release of any property, or the taking of any other action by the Trustee.

(r) Any action taken by the Trustee pursuant to the Indenture upon the request or authorized consent of any person who, at the time of making such request or giving such authority or consent is the Bondowner of any Bond, shall be conclusive and binding upon all future Bondowners of the same Bond and upon Bonds delivered in exchange therefor or upon transfer or in substitution thereof.

Notice of Defaults

The Trustee shall not be required to take notice or be deemed to have notice of any default except failure by the Issuer to cause to be made any of the payments to the Trustee required to be made by Article IV or Article V of the Indenture, unless the Trustee shall be specifically notified in writing of such default by the Issuer or the owners of at least 10% in principal amount of all Bonds Outstanding, and in the absence of such notice so delivered, the Trustee may conclusively assume there is no default except as aforesaid. Within 30 days after the Trustee has received notice of any default or the occurrence of any default of which the Trustee is deemed to have notice under the Indenture, the Trustee shall give written notice of such default by first class mail to all owners of Bonds as shown on the bond register maintained by the Trustee, unless such default shall have been cured or waived. For the purpose of this section, the term "default" means any event which is, or after notice or lapse of time or both would become, an Event of Default as defined in the Indenture.

Corporate Trustee Required; Eligibility

There shall at all times be a Trustee under the Indenture which shall be a bank or trust company organized and doing business under the laws of the United States of America or of any state thereof, authorized under such laws to exercise corporate trust powers, subject to supervision or examination by federal or state authority, and having a combined capital and surplus of at least \$50,000,000. If such bank or trust company publishes reports of condition at least annually, pursuant to law or to the requirements of such supervising or examining authority, then for the purposes of this paragraph, the combined capital and surplus of such bank or trust company shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. If at any time the Trustee shall cease to be eligible in accordance with the provisions of the Indenture, it shall resign immediately in the manner and with the effect specified in the Indenture.

Resignation and Removal of Trustee

The Trustee may resign at any time by giving written notice thereof to the Issuer, the Apartments and Garage Developer, the West Lawn Developer and each owner of Bonds Outstanding as shown by the list of Bondowners required by the Indenture to be kept at the office of the Trustee. If an instrument of acceptance by a successor Trustee shall not have been delivered to the Trustee within 30 days after the giving of such notice of resignation, the resigning Trustee may petition any court of competent jurisdiction for the appointment of a successor Trustee.

If the Trustee has or shall acquire any conflicting interest, it shall, within 90 days after ascertaining that it has a conflicting interest, or within 30 days after receiving written notice from the Issuer that it has a conflicting interest, either eliminate such conflicting interest or resign in the manner and with the effect specified in the immediately preceding paragraph.

The Trustee may be removed at any time by an instrument or concurrent instruments in writing delivered to the Issuer and the Trustee signed by the owners of a majority in principal amount of the Outstanding Bonds or, so long as the Issuer is not in default under the Indenture and no condition that with the giving of notice or passage of time, or both, would constitute a default under the Indenture by the Issuer. The Issuer, the Apartments and Garage Developer, the West Lawn Developer or any Bondowner may at any time petition any court of competent jurisdiction for the removal for cause of the Trustee.

If at any time

(a) the Trustee shall fail to comply with the second paragraph under this heading “Resignation and Removal of Trustee” after written request therefor by the Issuer or by any Bondowner, or

(b) the Trustee shall cease to be eligible to serve as Trustee under the Indenture and shall fail to resign after written request therefor by the Issuer or by any such Bondowner, or

(c) the Trustee shall become incapable of acting or shall be adjudged a bankrupt or insolvent or a receiver of the Trustee or of its property shall be appointed or any public officer shall take charge or control of the Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation,

then, in any such case, (a) the Issuer may remove the Trustee, or (b) the Apartments and Garage Developer, the West Lawn Developer or any Bondowner may petition any court of competent jurisdiction for the removal of the Trustee and the appointment of a successor Trustee.

The Trustee shall give notice at the expense of the Apartments and Garage Developer and the West Lawn Developer of each resignation and each removal of the Trustee and each appointment of a successor Trustee by mailing written notice of such event by first-class mail, postage prepaid, to the Registered Bondowners. Each notice shall include the name of the successor Trustee and the address of its principal corporate trust office.

No resignation or removal of the Trustee and no appointment of a successor Trustee shall become effective until the acceptance of appointment by the successor Trustee.

Appointment of Successor Trustee

If the Trustee shall resign, be removed or become incapable of acting, or if a vacancy shall occur in the office of Trustee for any cause, the Issuer, (so long as no Event of Default has occurred and is continuing), or the owners of a majority in principal amount of Bonds Outstanding (if an Event of Default has occurred and is continuing), by an instrument or concurrent instruments in writing delivered to the Issuer and the retiring Trustee, shall promptly appoint a successor Trustee. In case all or substantially all of the Trust Estate shall be in the possession of a receiver or trustee lawfully appointed, such receiver or trustee, by written instrument, may similarly appoint a temporary successor to fill such vacancy until a new Trustee shall be so appointed by the Issuer or the Bondowners. If, within 30 days after such resignation, removal or incapability or the occurrence of such vacancy, a successor Trustee shall be appointed in the manner herein provided, the successor Trustee so appointed shall, forthwith upon its acceptance of such appointment, become the successor Trustee and supersede the retiring Trustee and any temporary successor Trustee appointed by such receiver or trustee. If no successor Trustee shall have been so appointed and accepted appointment, any Bondowner may petition any court of competent jurisdiction for the appointment of a successor Trustee, until a successor shall have been appointed as above provided. The successor so appointed by such court shall immediately and without further act be superseded by any successor appointed as above provided. Every such successor Trustee appointed pursuant to the provisions of this paragraph shall be a bank or trust company in good standing under the law of the jurisdiction in which it was created and by which it exists, meeting the eligibility requirements of this paragraph.

Merger, Consolidation and Succession to Business

Any bank or association into which the Trustee may be merged or with which it may be consolidated, or any bank or association resulting from any merger or consolidation to which the Trustee shall be a party, shall be the successor of the Trustee, provided such bank or association shall be otherwise qualified and eligible under the Indenture, and shall be vested with all of the title to the whole property or Trust Estate and all the trusts, powers, discretions, immunities, privileges and all other matters as was its predecessor, without the execution or filing of any paper or any further act on the part of any of the parties hereto. In case any Bonds shall have been authenticated, but not delivered, by the Trustee then in office, any successor by merger or consolidation to such authenticating Trustee may adopt such authentication and deliver the Bonds so authenticated with the same effect as if such successor Trustee had itself authenticated such Bonds.

Co-Trustees and Separate Trustees

At any time or times, for the purpose of meeting the legal requirements of any jurisdiction in which any of the Trust Estate may at the time be located, or in the enforcement of any default or the exercise any of the powers, rights or remedies granted to the Trustee in the Indenture, or any other action which may be desirable or necessary in connection therewith, the Trustee shall have power to appoint, and, upon the written request of the Trustee or of the owners of at least 25% in principal amount of the Bonds Outstanding, the Issuer shall for such purpose join with the Trustee in the execution, delivery and performance of all instruments and agreements necessary or proper to appoint, one or more Persons approved by the Trustee either to act as co-trustee, jointly with the Trustee, of all or any part of the Trust Estate, or to act as separate trustee of any such property, in either case with such powers as may be provided in the instrument of appointment, and to vest in such person or persons in the capacity aforesaid, any property, title, protection, immunity, right or power deemed necessary or desirable, subject to the other provisions of the Indenture. If the Issuer does not join in such appointment within 15 days after the receipt by it of a request so to do, or in case an Event of Default has occurred and is continuing, the Trustee alone shall have power to make such appointment.

Should any written instrument from the Issuer be required by any co-trustee or separate trustee so appointed for more fully confirming to such co-trustee or separate trustee such property, title, right or power, any and all such instruments shall, on request, be executed, acknowledged and delivered by the Issuer.

Every co-trustee or separate trustee shall, to the extent permitted by law, but to such extent only, be appointed subject to the following terms, namely:

(a) The Bonds shall be authenticated and delivered, and all rights, powers, duties and obligations under the Indenture in respect of the custody of securities, cash and other personal property held by, or required to be deposited or pledged with, the Trustee thereunder, shall be exercised solely, by the Trustee.

(b) The rights, powers, duties and obligations conferred or imposed upon the Trustee in respect of any property covered by such appointment shall be conferred or imposed upon and exercised or performed by the Trustee or by the Trustee and such co-trustee or separate trustee jointly, as shall be provided in the instrument appointing such co-trustee or separate trustee, except to the extent that under any law of any jurisdiction in which any particular act is to be performed, the Trustee shall be incompetent or unqualified to perform such act, in which event such rights, powers, duties and obligations shall be exercised and performed by such co-trustee or separate trustee.

(c) The Trustee at any time, by an instrument in writing executed by it, with the concurrence of the Issuer evidenced by a resolution, may accept the resignation of or remove any co-trustee or separate trustee appointed under the Indenture, and, in case an Event of Default has occurred and is continuing, the Trustee shall have power to accept the resignation of, or remove, any such co-trustee or separate trustee without the concurrence of the Issuer. Upon the written request of the Trustee,

the Issuer shall join with the Trustee in the execution, delivery and performance of all instruments and agreements necessary or proper to effectuate such resignation or removal. A successor to any co-trustee or separate trustee so resigned or removed may be appointed in the manner provided in the Indenture.

(d) No co-trustee or separate trustee shall be personally liable by reason of any act or omission of the Trustee, or any other such trustee.

(e) Any request, demand, authorization, direction, notice, consent, waiver or other act of Bondowners delivered to the Trustee shall be deemed to have been delivered to each such co-trustee and separate trustee.

Supplemental Indentures Without Consent of Bondowners

Without the consent of the owners of any Bonds, the Issuer and the Trustee may from time to time enter into one or more Supplemental Indentures for any of the following purposes:

(a) to correct or amplify the description of any property at any time subject to the lien of the Indenture, or better to assure, convey and confirm unto the Trustee any property subject or required to be subjected to the lien of the Indenture, or to subject to the lien of the Indenture additional revenues or property; or

(b) to add to the conditions, limitations and restrictions on the authorized amount, terms or purposes of issue, authentication and delivery of Bonds, as herein set forth, additional conditions, limitations and restrictions thereafter to be observed; or

(c) to evidence the appointment of a separate trustee or the succession of a new trustee under the Indenture; or

(d) to add to the covenants of the Issuer or to the rights, powers and remedies of the Trustee for the benefit of the owners of all Bonds or to surrender any right or power herein conferred upon the Issuer; or

(e) to cure any ambiguity, to correct or supplement any provision in the Indenture which may be inconsistent with any other provision herein or to make any other change, with respect to matters or questions arising under the Indenture, which shall not be inconsistent with the provisions of the Indenture, provided such action shall not materially adversely affect the interests of the owners of the Bonds; or

(f) to modify, eliminate or add to the provisions of the Indenture to such extent as shall be necessary to effect the qualification of the Indenture under the Trust Indenture Act of 1939, as amended, or under any similar federal statute hereafter enacted, or to permit the qualification of the Bonds for sale under the securities laws of the United States or any state of the United States; or

(g) to authorize the issuance of any series of Additional Bonds and make such other provisions as provided in the Indenture.

Supplemental Indentures with Consent of Bondowners

With the consent of the owners of not less than a majority in principal amount of the Bonds then Outstanding affected by such Supplemental Indenture, the Issuer and the Trustee may enter into one or more Supplemental Indentures for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of the Indenture or of modifying in any manner the rights of the owners of the Bonds under the Indenture; provided, however, that no such Supplemental Indenture shall, without the consent of the owner of each Outstanding Bond affected thereby,

(a) change the stated maturity of the principal of, or any installment of interest on, any Bond, or reduce the principal amount thereof or the interest thereon or any premium payable upon the redemption thereof, or change any place of payment where, or the coin or currency in which, any Bond, or the interest thereon is payable, or impair the right to institute suit for the enforcement of any such payment on or after the stated maturity thereof (or, in the case of redemption, on or after the redemption date); or

(b) reduce the percentage in principal amount of the Outstanding Bonds, the consent of whose owners is required for any such Supplemental Indenture, or the consent of whose owners is required for any waiver provided for in the Indenture of compliance with certain provisions of the Indenture or certain defaults thereunder and their consequences; or

(c) modify the obligation of the Issuer to make payment on or provide funds for the payment of any Bond; or

(d) modify or alter the provisions of the proviso to the definition of the term “Outstanding”; or

(e) modify any of the provisions of Section 1102 or Section 910 of the Indenture, except to increase any percentage provided thereby or to provide that certain other provisions of the Indenture cannot be modified or waived without the consent of the owner of each Bond affected thereby; or

(f) permit the creation of any lien ranking prior to or on a parity with the lien of the Indenture with respect to any of the Trust Estate or terminate the lien of the Indenture on any property at any time subject hereto or deprive the owner of any Bond of the security afforded by the lien of the Indenture.

The Trustee, who may rely on the advice or Opinion of Counsel, may in its discretion determine whether or not any Bonds would be affected by any Supplemental Indenture and any such determination shall be conclusive upon the owners of all Bonds, whether theretofore or thereafter authenticated and delivered thereunder. The Trustee shall not be liable for any such determination made in good faith.

It shall not be necessary for the required percentage of owners of Bonds under this paragraph to approve the particular form of any proposed Supplemental Indenture, but it shall be sufficient if such act shall approve the substance thereof.

Execution of Supplemental Indentures

In executing, or accepting the additional trusts created by, any Supplemental Indenture permitted by the Indenture or the modification thereby of the trusts created by the Indenture, the Trustee shall be entitled to receive, and, subject to the Indenture, shall be fully protected in relying upon, an Opinion of Counsel stating that the execution of such Supplemental Indenture is authorized and permitted by and in compliance with the terms of the Indenture. The Trustee may, but shall not be obligated to, enter into any such Supplemental Indenture which affects the Trustee's own rights, duties or immunities under the Indenture or otherwise.

Effect of Supplemental Indentures

Upon the execution of any Supplemental Indenture, the Indenture shall be modified in accordance therewith and such Supplemental Indenture shall form a part of the Indenture for all purposes; and every owner of Bonds theretofore or thereafter authenticated and delivered thereunder shall be bound thereby.

Payment, Discharge and Defeasance of Bonds

Bonds will be deemed to be paid and discharged and no longer Outstanding under the Indenture and will cease to be entitled to any lien, benefit or security of the Indenture if the Issuer shall pay or provide for the payment of such Bonds in any one or more of the following ways:

- (a) by paying or causing to be paid the principal of (including redemption premium, if any) and interest on such Bonds, as and when the same become due and payable;
- (b) by delivering such Bonds to the Trustee for cancellation; or
- (c) by depositing in trust with the Trustee or other Paying Agent Government Obligations in an amount, together with the income or increment to accrue thereon, without consideration of any reinvestment thereof, sufficient to pay or redeem (when redeemable) and discharge the indebtedness on such Bonds at or before their respective maturity or redemption dates (including the payment of the principal of, premium, if any, and interest payable on such Bonds to the maturity or redemption date thereof); provided that, if any such Bonds are to be redeemed prior to the maturity thereof, notice of such redemption is given in accordance with the requirements of the Indenture or provision satisfactory to the Trustee is made for the giving of such notice.

The Bonds may be defeased in advance of their maturity or redemption dates only with Government Obligations pursuant to subsection (c) above, subject to receipt by the Trustee of (1) a verification report in form satisfactory to the Trustee prepared by independent certified public accountants, or other verification agent, and (2) an Opinion of Counsel addressed and delivered to the Trustee in form and substance satisfactory to the Trustee to the effect that the payment of the principal of and redemption premium, if any, and interest on all of the Bonds then Outstanding and any and all other amounts required to be paid under the provisions of the Indenture has been provided for in the manner set forth in the Indenture.

The foregoing notwithstanding, the liability of the Issuer in respect of such Bonds shall continue, but the owners thereof shall thereafter be entitled to payment only out of the moneys and Government Obligations deposited with the Trustee as aforesaid.

Moneys and Government Obligations so deposited with the Trustee pursuant to this section shall not be a part of the Trust Estate but shall constitute a separate trust fund for the benefit of the persons entitled thereto. Such moneys and Government Obligations shall be applied by the Trustee to the payment (either directly or through any Paying Agent, as the Trustee may determine) to the persons entitled thereto, of the principal (and premium, if any) and interest for whose payment such moneys and Government Obligations have been deposited with the Trustee.

Satisfaction and Discharge of Indenture

The Indenture and the lien, rights and interests created by the Indenture shall cease, determine and become null and void (except as to any surviving rights of transfer or exchange of Bonds therein provided for) if the following conditions are met:

- (a) the principal of, premium, if any, and interest on all Bonds has been paid or is deemed to be paid and discharged under "Payment, Discharge and Defeasance of Bonds"; and
- (b) all other sums payable under the Indenture with respect to the Bonds are paid or provision satisfactory to the Trustee is made for such payment.

Thereupon, the Trustee shall execute and deliver to the Issuer a termination statement and such instruments of satisfaction and discharge of the Indenture as may be necessary and shall pay, assign, transfer and deliver to the Issuer, or other persons entitled thereto, all moneys, securities and other property then held by it

under the Indenture as a part of the Trust Estate, other than moneys or Government Obligations held in trust by the Trustee as herein provided for the payment of the principal of, premium, if any, and interest on the Bonds.

Rights Retained After Discharge

Notwithstanding the satisfaction and discharge of the Indenture, the rights of the Trustee under the Indenture shall survive, and the Trustee shall retain such rights, powers and duties under the Indenture as may be necessary and convenient for the payment of amounts due or to become due on the Bonds and the registration, transfer and exchange of Bonds as provided herein. Nevertheless, any moneys held by the Trustee or any Paying Agent for the payment of the principal of, redemption premium, if any, or interest on any Bond remaining unclaimed for four years after the principal of all Bonds has become due and payable, whether at maturity or upon proceedings for redemption or by declaration as provided herein, shall then be deposited in the Issuer's general fund, and all liability of the Trustee or the Paying Agent or the Issuer with respect to such moneys shall thereupon cease.

Governing Law

The Indenture shall be governed exclusively by and constructed in accordance with the applicable laws of the State of Kansas.

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Appendix D

FORMS OF CONTINUING DISCLOSURE AGREEMENTS

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ISSUER'S CONTINUING DISCLOSURE AGREEMENT

This **CONTINUING DISCLOSURE AGREEMENT** dated as of ____ June 1, 2018 (the "**Continuing Disclosure Agreement**") is executed and delivered by the **UNIFIED GOVERNMENT OF WYANDOTTE COUNTY / KANSAS CITY, KANSAS** (the "**Issuer**") and **SECURITY BANK OF KANSAS CITY**, as dissemination agent (the "**Dissemination Agent**").

RECITALS

This Continuing Disclosure Agreement is executed and delivered in connection with the issuance by The United Government of Wyandotte County / Kansas City, Kansas of its \$ ____ Community Improvement District Sales Tax Revenue Bonds (Legacy Apartments Garage & West Lawn Project), Series 2018 (the "**Series 2018 Turbo Bonds**") pursuant to a Bond Trust Indenture, dated as of June 1, 2018, as supplemented and amended, between the Issuer and Security Bank of Kansas City, as trustee (the "**Indenture**"). The Series 2018 Turbo Bonds are being offered by the Participating Underwriter pursuant to an Official Statement, dated as of ____, 2018 (the "**Official Statement**").

The Issuer and the Dissemination Agent are entering into this Continuing Disclosure Agreement for the benefit of the Beneficial Owners of the Series 2018 Turbo Bonds and in order to assist the Participating Underwriter in complying with Rule 15c2-12 of the Securities and Exchange Commission (the "**Rule**"). In consideration of the mutual covenants and agreements herein, the Issuer and the Dissemination Agent covenant and agree as follows:

Section 1. Definitions. In addition to the definitions set forth in the Official Statement and the Indenture, which apply to any capitalized term used in this Continuing Disclosure Agreement unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"Beneficial Owner" means any registered owner of the Series 2018 Turbo Bonds and any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Series 2018 Turbo Bonds (including persons holding Series 2018 Turbo Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Series 2018 Turbo Bonds for federal income tax purposes.

"Business Day" means a day other than a Saturday, Sunday or holiday on which the Dissemination Agent is scheduled in the normal course of its operations to be open to the public for conduct of its operations.

"Developer Continuing Disclosure Agreements" means each of the Continuing Disclosure Agreements dated as of June 1, 2018 between each of W-LD Legends Owner VII, L.L.C., a Delaware limited liability company, and Legacy KCK Westside Venture, LLC, a Kansas limited liability company, and the Dissemination Agent.

"Dissemination Agent" means Security Bank of Kansas City, Kansas City, Kansas, acting in its capacity as Dissemination Agent hereunder, or any successor Dissemination Agent designated in writing by the Issuer.

"EMMA" means the Electronic Municipal Market Access system for municipal securities disclosures operated by the MSRB, which can be accessed at www.emma.msrb.org.

"Material Events" means any of the events listed in **Section 3(a)** of this Continuing Disclosure Agreement.

“MSRB” means the Municipal Securities Rulemaking Board, or any successor repository designated as such by the Securities and Exchange Commission in accordance with the Rule.

“Participating Underwriter” means Citigroup Global Markets Inc., as representative of the underwriters of the Series 2018 Turbo Bonds required to comply with the Rule in connection with offering of the Series 2018 Turbo Bonds.

“Report” means any report provided by the Issuer pursuant to, and as described in, **Section 2** of this Continuing Disclosure Agreement and in substantially the form as set forth in **Exhibit B**.

“Reporting Date” means the date related to each Report as described in **Exhibit C**.

“Reporting Period” means the semi-annual or annual period covered by a Report commencing with the reporting date for the immediately preceding Report to the reporting date for the current Report.

“Rule” means Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

Section 2. Provision of Reports.

- (a) The Issuer shall, or shall cause the Dissemination Agent to, not later than 90 days after each Reporting Date as set forth in **Exhibit C**, provide to the MSRB, via EMMA, a completed report containing the information and in the form as set forth in **Exhibit C**. **The Issuer shall use its best efforts to provide the West Lawn Developer and the Dissemination Agent with the Largest Taxpayers Report (as defined in Exhibit C) not later than 45 days after each Reporting Date for such Report.**
- (b) Any of the items listed in subsection (a) above may be included by specific reference to other documents, including Official Statement of debt issues with respect to which the Issuer is an “*obligated person*” (as defined by the Rule), which have been filed with the MSRB or the Securities and Exchange Commission. If the document included by reference is a final Official Statement, it must be available from the MSRB. The Issuer shall clearly identify each such other document so included by reference. In each case, the Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in this Section.
- (c) Not later than 5 Business Days prior to the dates specified in subsection (a) hereof for providing a Report to the MSRB, via EMMA, the Issuer shall either provide such Report to the Dissemination Agent with instructions to file the Report as specified in subsection (a) hereof, or provide to the Dissemination Agent a written certification that the Issuer (or another entity on behalf of the Issuer) has provided the Report to the MSRB, via EMMA.
- (d) If the Dissemination Agent has not received the Report with written instructions to file the same or has not received a written notice from the Issuer that it has provided the Report to the MSRB, via EMMA, by the dates required for such Report in subsection (a) hereof, the Dissemination Agent shall send a notice to the Participating Underwriter and to the MSRB, via EMMA, in substantially the form attached as **Exhibit A** hereto.

- (e) The Dissemination Agent shall:
 - 1. notify the Issuer each year not later than 60 days and again not later than 30 days before the date each report must be provided to the Dissemination Agent or the MSRB, via EMMA; and
 - 2. unless the Issuer has certified in writing that the Issuer (or another entity on behalf of the Issuer) has provided a Report to the MSRB, via EMMA, promptly following receipt of a Report and instructions required in subsection (d) above, file the Report with the MSRB, via EMMA, and shall file a report with the Issuer and (if the Dissemination Agent is not the Trustee) the Trustee certifying that the required Report has been provided to the MSRB, via EMMA, pursuant to this Continuing Disclosure Agreement, stating the date it was provided.

Section 3. Reporting of Material Events.

- (a) No later than 10 Business Days after the occurrence of any of the following events, the Issuer shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Series 2018 Turbo Bonds (“**Material Events**”):
 - (1) principal and interest payment delinquencies;
 - (2) non-payment related defaults, if material;
 - (3) unscheduled draws on debt service reserves reflecting financial difficulties;
 - (4) unscheduled draws on credit enhancements reflecting financial difficulties;
 - (5) substitution of credit or liquidity providers, or their failure to perform;
 - (6) adverse tax opinions; the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Series 2018 Turbo Bonds, or other material events affecting the tax status of the Series 2018 Turbo Bonds;
 - (7) modifications to rights of Bond holders, if material;
 - (8) Bond calls, if material, and tender offers;
 - (9) defeasances;
 - (10) release, substitution or sale of property securing repayment of the Series 2018 Turbo Bonds, if material;
 - (11) rating changes;
 - (12) bankruptcy, insolvency, receivership or similar event of the Issuer;
 - (13) the consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
 - (14) appointment of a successor or additional trustee or the change of name of the trustee, if material.
- (b) The Dissemination Agent shall, promptly after obtaining actual knowledge of the occurrence of any event that it believes may constitute a Material Event, contact

the Chief Financial Officer of the Issuer or his or her designee, or such other person as the Issuer shall designate in writing to the Dissemination Agent from time to time, inform such person of the event, and request that the Issuer promptly notify the Dissemination Agent in writing whether or not to report the event pursuant to subsection (d). If in response to a request under this subsection (b), the Issuer determines that the event does not constitute a Material Event, the Issuer shall so notify the Dissemination Agent in writing and instruct the Dissemination Agent not to report the occurrence pursuant to subsection (d).

- (c) Whenever the Issuer obtains knowledge of the occurrence of a Material Event, because of a notice from the Dissemination Agent pursuant to subsection (b) or otherwise, the Issuer shall promptly notify and instruct the Dissemination Agent in writing to report the occurrence pursuant to subsection (d).
- (d) If the Dissemination Agent has been instructed by the Issuer to report the occurrence of a Material Event, the Dissemination Agent shall promptly file a notice of such occurrence with the MSRB, via EMMA, with a copy to the Issuer. Notwithstanding the foregoing, notice of Material Events described in subsections (a)(4) and (5) need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to the registered owners of affected Series 2018 Turbo Bonds pursuant to the Indenture.

Section 4. Termination of Reporting Obligation. The Issuer's obligations under this Continuing Disclosure Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Series 2018 Turbo Bonds. If the Issuer's obligations under this Continuing Disclosure Agreement are assumed in full by some other entity, such Person shall be responsible for compliance with this Continuing Disclosure Agreement in the same manner as if it were the Issuer, and the Issuer shall have no further responsibility hereunder. If such termination or substitution occurs prior to the final maturity of the Series 2018 Turbo Bonds, the Issuer shall cause the Dissemination Agent to give notice of such termination or substitution in the same manner as for a Material Event under **Section 3(d)**.

Section 5. Dissemination Agent. The Issuer may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Continuing Disclosure Agreement, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. The initial Dissemination Agent shall be Security Bank of Kansas City. The Dissemination Agent may resign at any time upon giving 30 days prior written notice to the Issuer. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report (including, without limitation, any Report) prepared by the Issuer pursuant to this Continuing Disclosure Agreement.

Section 6. Amendment; Waiver. Notwithstanding any other provision of this Continuing Disclosure Agreement, the Issuer and the Dissemination Agent may amend this Continuing Disclosure Agreement and any provision of this Continuing Disclosure Agreement may be waived, provided that Bond Counsel or other counsel experienced in federal securities law matters provides the Issuer and the Dissemination Agent with its written opinion that the undertaking of the Issuer contained herein, as so amended or after giving effect to such waiver, is in compliance with the Rule and all current amendments thereto and interpretations thereof that are applicable to this Continuing Disclosure Agreement.

In the event of any amendment or waiver of a provision of this Continuing Disclosure Agreement, the Issuer shall describe such amendment or waiver in the next Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or, in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Issuer. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (1) notice of such change shall be given in the same manner as for a Material Event under **Section 3(d)**, and (2) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 7. Additional Information. Nothing in this Continuing Disclosure Agreement shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Continuing Disclosure Agreement or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Material Event, in addition to that which is required by this Continuing Disclosure Agreement. If the Issuer chooses to include any information in any Annual Report or notice of occurrence of a Material Event, in addition to that which is specifically required by this Continuing Disclosure Agreement, the Issuer shall have no obligation under this Continuing Disclosure Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Material Event.

Section 8. Default. In the event of a failure of the Issuer or the Dissemination Agent to comply with any provision of this Continuing Disclosure Agreement, the Trustee may (and, at the request of any Participating Underwriter or the Owners of at least 25% of the Accreted Value of Outstanding Series 2018 Turbo Bonds, upon receipt of satisfactory indemnity, shall), or any Beneficial Owner may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the Issuer or the Dissemination Agent, as the case may be, to comply with its obligations under this Continuing Disclosure Agreement. A default under this Continuing Disclosure Agreement shall not be deemed an Event of Default under the Indenture, and the sole remedy under this Continuing Disclosure Agreement in the event of any failure of the Issuer or the Dissemination Agent to comply with this Continuing Disclosure Agreement shall be an action to compel performance.

Section 9. Duties of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Continuing Disclosure Agreement.

Section 10. Notices. Any notices or other communications to or among any of the parties to this Continuing Disclosure Agreement shall be sufficiently given and shall be deemed given upon receipt if personally delivered or mailed by certified mail, return receipt requested, or by confirmed facsimile, or delivered in person or by overnight courier, and will be deemed given on the second day following the date on which the notice or communication is so mailed, as follows:

To the Issuer:

Unified Government of Wyandotte County / Kansas City,
Kansas
Attention: County Administrator
701 N. 7th Street, 9th Floor
Kansas City, Kansas 66101

**To the Dissemination
Agent:**

Security Bank of Kansas City
Attention: Corporate Trust Department
One Security Plaza
701 Minnesota
Kansas City, Kansas 66101

Any person may, by written notice to the other persons listed above, designate a different address to which subsequent notices or communications should be sent.

Section 11. Beneficiaries. This Continuing Disclosure Agreement shall inure solely to the benefit of the Issuer, the Trustee, the Dissemination Agent, the Participating Underwriter, and Beneficial Owners from time to time of the Series 2018 Turbo Bonds, and shall create no rights in any other person or entity.

Section 12. Severability. If any provision in this Continuing Disclosure Agreement, the Indenture or the Series 2018 Turbo Bonds shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 13. Counterparts. This Continuing Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 14. Governing Law. This Continuing Disclosure Agreement shall be governed by and construed in accordance with the laws of the State of Kansas.

Section 15. Electronic Transactions. The arrangement described herein may be conducted and related documents may be stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

SIGNATURES ON FOLLOWING PAGES

**UNIFIED GOVERNMENT OF WYANDOTTE
COUNTY/KANSAS CITY, KANSAS**

Name: David Alvey
Title: Mayor/CEO

SECURITY BANK OF KANSAS CITY,
as Dissemination Agent

By: _____
Name: Peter B. Gardner
Title: Vice President and Trust Officer

EXHIBIT A

NOTICE OF FAILURE TO FILE REPORT

Name of Issuer: **Unified Government of Wyandotte County / Kansas City, Kansas**

Name of Issue: \$_____ Community Improvement District Sales Tax Revenue Bonds (Legacy Apartments Garage & West Lawn Project), Series 2018 (the “**Series 2018 Turbo Bonds**”)

Date of Issuance: _____, 2018

NOTICE IS HEREBY GIVEN that the Issuer has not provided a / an [annual] [semi-annual] Report with respect to the above-named Bonds as required by the Continuing Disclosure Agreement dated as of _____, 2018, between the Issuer and Security Bank of Kansas City, as Dissemination Agent. The Issuer has notified the Dissemination Agent that the Issuer anticipates that a Report will be filed by _____.

Dated:_____

**Security Bank of Kansas City, as
Dissemination Agent on behalf of the Unified
Government of Wyandotte County / Kansas
City, Kansas**

By: _____
Title: _____

cc: Unified Government of Wyandotte County / Kansas City, Kansas

EXHIBIT B

FORM OF REPORT

**Name of Issuer/
Obligated Person:** Unified Government of Wyandotte County/Kansas City, Kansas

Name of Issues: \$_____ Community Improvement District Sales Tax Revenue Bonds (Legacy Apartments Garage & West Lawn Project), Series 2018 (the “**Series 2018 Turbo Bonds**”)

Date of Report: _____, 20__

This Report relates only to the Issuer’s continuing disclosure obligation undertaken in connection with the delivery of the Bonds pursuant to SEC Rule 15c2-12. The Issuer may have additional continuing disclosure obligations in connection with other municipal debt that are not covered by this Report.

[Include information required for such Report as set forth in the Continuing Disclosure Agreement.]

EXHIBIT C
REPORTS AND REPORTING PERIODS

The Issuer shall, or shall cause the Dissemination Agent to, not later than 90 days after each Reporting Date as set forth below, commencing December 1, 2018, provide to the MSRB, via EMMA, the financial information and operating data as set forth below:

I. ANNUAL REPORTS (Reporting Date: December 1)

- A.** An update of any changes in the information in the Official Statement under the caption “LITIGATION” the outcome of which may have a material adverse impact on the Series 2018 Turbo Bonds
- B.** A report of any amendments to any Development Agreements, any reduction in the amount of reimbursements of Project Costs under each Development Agreement to the respective Developer, any default or failure of a Developer under a Development Agreements the outcome of which may have a material adverse impact on or result in a mandatory redemption of the Series 2018 Turbo Bonds
- C.** A completed table regarding Retail Activity within that portion of the CID that is not covered by the Developer Continuing Disclosure Agreements.

Issuer Annual Report Regarding Retail Activity with respect to all business operations of 5,000 square feet or more within that portion of the CID that is not covered by the Developer Continuing Disclosure Agreements during the Reporting Period.

Name of Operator	Type of Use	Square Footage/ Hotel Rooms	Status Open / Under Construction	Open or Projected Opening Date

- D.** A report of any change of sales tax rates within the CID, including the CID Sales Tax, and an update reflecting any changes of the information in the Official Statement under the heading “**TAX LEVY, REPORTING AND COLLECTION.**”

II. SEMI-ANNUAL REPORTS - Completed reports containing the information and in substantially the form as set forth below (Reporting Dates: June 1 and December 1);

A. A report on the status of each of the funds, accounts and subaccounts established under the Indenture which are held by the Trustee, showing the balance in each such fund, account or subaccount as of the immediately preceding June 1 and December 1, the total of deposits to and the total of disbursements from each such fund, account or subaccount during the six-month period ending on the immediately preceding June 1 and December 1 and the dates of such deposits and disbursements.

The accounts to be reported under the Indenture are as follows:

- (a) The Project Fund
- (b) The Costs of Issuance Fund
- (c) The Debt Service Fund
- (d) The Debt Service Reserve Fund
- (e) The Rebate Fund

B. A report containing the following information:

(i) The amount of CID Sales Tax Revenues remitted to the Trustee pursuant to the Indenture, in tabular form as follows:

6 month period	Total Tax	Total Tax for Same period prior year
April 1 to September 30		
October 1 to March 31		

(ii) The application of the CID Sales Tax Revenues pursuant to the Indenture for deposit to the funds and accounts under the Indenture as follows:

- Debt Service Fund including the separately held and named Debt Service Accounts and Turbo Redemption Accounts for each Series of Bonds.
- Debt Service Reserve Fund including the Debt Service Reserve Accounts for each Series of Bonds
-

(iii) The principal, redemption premium, if any, and interest on each series of the Series 2018 Turbo Bonds and any Parity Bonds paid during the six-month period ending on the immediately preceding June 1 or December 1;

(iv) The outstanding principal amount of each series of the Series 2018 Turbo Bonds and any Parity Bonds as of the close of business on such June 1 or December 1;

(v) The then current schedule for payment of scheduled principal or accreted value and interest on each series of each series of the Series 2018 Turbo Bonds and any Parity Bonds.

C. A report containing the following information:

(i) Table setting forth the Revenues received by the Issuer and remitted to the Trustee by the Issuer and generated by the 10 largest taxpayers, in groups of five, and all other taxpayers for the 6-month reporting period (April 1 to September 30 and October 1 to March 31) within the CID and containing the information as follows (the “Largest Taxpayers Report”):

	Tenant Name	% of Total Revenue
5 Largest Taxpayers		
Next 5 Largest Taxpayers		
		%
		%
Total Top Ten Taxpayers		%
Remaining Taxpayers		%

DEVELOPER CONTINUING DISCLOSURE AGREEMENT

This **CONTINUING DISCLOSURE AGREEMENT** dated as of ____ June 1, 2018 (the “**Continuing Disclosure Agreement**”) is executed and delivered by the Legacy KCK Westside Venture, LLC, a Kansas limited liability company (the “**Apartments and Garage Developer**” or “**Developer**”) and **SECURITY BANK OF KANSAS CITY**, as dissemination agent (the “**Dissemination Agent**”).

RECITALS

This Continuing Disclosure Agreement is executed and delivered in connection with the issuance by the Unified Government of Wyandotte County / Kansas City, Kansas of its \$ ____ Community Improvement District Sales Tax Revenue Bonds (Legends Apartments Garage & West Lawn Project), Series 2018 (the “**Series 2018 Turbo Bonds**”) pursuant to a Bond Trust Indenture, dated as of June 1, 2018, as supplemented and amended, between the Issuer and Security Bank of Kansas City, as trustee (the “**Indenture**”). The Series 2018 Turbo Bonds are being offered by the Participating Underwriter pursuant to an Official Statement, dated as of ____, 2018 (the “**Official Statement**”).

This Continuing Disclosure Agreement is entered into for the benefit of the Beneficial Owners of the Series 2018 Turbo Bonds and in order to assist the Participating Underwriter in complying with Rule 15c2-12 of the Securities and Exchange Commission (the “**Rule**”). In consideration of the mutual covenants and agreements herein, the Developer and the Dissemination Agent covenant and agree as follows:

Section 1. Definitions. In addition to the definitions set forth in the Official Statement and the Indenture, which apply to any capitalized term used in this Continuing Disclosure Agreement unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“**Beneficial Owner**” means any registered owner of the Series 2018 Turbo Bonds and any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Series 2018 Turbo Bonds (including persons holding Series 2018 Turbo Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Series 2018 Turbo Bonds for federal income tax purposes.

“**Business Day**” means a day other than a Saturday, Sunday or holiday on which the Dissemination Agent is scheduled in the normal course of its operations to be open to the public for conduct of its operations.

“**Dissemination Agent**” means Security Bank of Kansas City, Kansas City, Kansas, acting in its capacity as Dissemination Agent hereunder, or any successor Dissemination Agent designated in writing by the Issuer.

“**EMMA**” means the Electronic Municipal Market Access system for municipal securities disclosures operated by the MSRB, which can be accessed at www.emma.msrb.org.

“**MSRB**” means the Municipal Securities Rulemaking Board, or any successor repository designated as such by the Securities and Exchange Commission in accordance with the Rule.

“**Participating Underwriter**” means Citigroup Global Markets Inc., as representative of the underwriters of the Series 2018 Turbo Bonds required to comply with the Rule in connection with offering of the Series 2018 Turbo Bonds.

“Report” means any report provided by the Developer pursuant to, and as described in, **Section 2** of this Continuing Disclosure Agreement and in substantially the form as set forth in **Exhibit B**.

“Reporting Date” means the date related to each Report as described in **Exhibit C**.

“Reporting Period” means the semi-annual or annual period covered by a Report commencing with the reporting date for the immediately preceding Report to the reporting date for the current Report.

“Rule” means Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

Provision of Information.

Section 1. Provision of Reports.

- (a) The Developer shall, or shall cause the Dissemination Agent to, not later than 90 days after each Reporting Date as set forth in **Exhibit C**, provide to the MSRB, via EMMA, a completed report containing the information and in the form as set forth in **Exhibit C**:
- (b) Reserved.
- (c) Not later than 5 Business Days prior to the dates specified in subsection (a) hereof for providing a Report to the MSRB, via EMMA, the Developer shall either provide such Report to the Dissemination Agent with instructions to file the Report as specified in subsection (a) hereof, or provide to the Dissemination Agent a written certification that the Developer (or another entity on behalf of the Developer) has provided the Report to the MSRB, via EMMA.
- (d) If the Dissemination Agent has not received the Report with written instructions to file the same or has not received a written notice from the Developer that it has provided the Report to the MSRB, via EMMA, by the dates required for such Report in subsection (a) hereof, the Dissemination Agent shall send a notice to the Participating Underwriter and to the MSRB, via EMMA, in substantially the form attached as **Exhibit A** hereto.
- (e) The Dissemination Agent shall:
 - 1. notify the Developer each year not later than 60 days and again not later than 30 days before the date each report must be provided to the Dissemination Agent or the MSRB, via EMMA; and
 - 2. unless the Developer has certified in writing that the Developer (or another entity on behalf of the Developer) has provided a Report to the MSRB, via EMMA, promptly following receipt of a Report and instructions required in subsection (c) above, file the Report with the MSRB, via EMMA, and shall file a report with the Developer and (if the Dissemination Agent is not the Trustee) the Trustee certifying that the required Report has been provided to the MSRB, via EMMA, pursuant to this Continuing Disclosure Agreement, stating the date it was provided.

Section 2. The Developer's obligations under this Continuing Disclosure Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Series 2018 Turbo Bonds. If the Developer's obligations under this Continuing Disclosure Agreement are assumed in full by some other entity, such Person shall be responsible for compliance with this Continuing Disclosure Agreement in the same manner as if it were the Developer, and the Developer shall have no further responsibility hereunder. If such termination or substitution occurs prior to the final maturity of the Series 2018 Turbo Bonds, the Developer shall cause the Dissemination Agent to give notice of such termination or substitution and the Dissemination Agent shall promptly file a notice of such occurrence with the MSRB, via EMMA, with a copy to the Issuer..

Section 3. Dissemination Agent. The Developer may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Continuing Disclosure Agreement, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. The initial Dissemination Agent shall be Security Bank of Kansas City. The Dissemination Agent may resign at any time upon giving 30 days' prior written notice to the Developer. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report (including, without limitation, any Report) prepared by the Developer pursuant to this Continuing Disclosure Agreement.

Section 4. Amendment; Waiver. Notwithstanding any other provision of this Continuing Disclosure Agreement, the Developer and the Dissemination Agent may amend this Continuing Disclosure Agreement and any provision of this Continuing Disclosure Agreement may be waived by a writing signed by both the Developer and the Dissemination Agent, provided that Bond Counsel or other counsel experienced in federal securities law matters provides the Developer and the Dissemination Agent with its written opinion that the undertaking of the Developer contained herein, as so amended or after giving effect to such waiver, is in compliance with the Rule and all current amendments thereto and interpretations thereof that are applicable to this Continuing Disclosure Agreement.

In the event of any amendment or waiver of a provision of this Continuing Disclosure Agreement, the Developer shall describe such amendment or waiver in the next Report, and shall include, as applicable, a narrative explanation of the reason for such amendment or waiver and its impact on the type (or, in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Developer. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (1) notice of such change shall be given in the same manner as for a Material Event under **Section 3(d)**, and (2) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 5. Additional Information. Nothing in this Continuing Disclosure Agreement shall be deemed to prevent the Developer from disseminating any other information, using the means of dissemination set forth in this Continuing Disclosure Agreement or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Material Event, in addition to that which is required by this Continuing Disclosure Agreement. If the Developer chooses to include any information in any Annual Report or notice of occurrence of a Material Event, in addition to that which is specifically required by this Continuing Disclosure Agreement, the Developer shall have no obligation under this Continuing Disclosure Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Material Event.

Section 6. Default. In the event of a failure of the Developer or the Dissemination Agent to comply with any provision of this Continuing Disclosure Agreement, the Trustee may (and, at the request of any Participating Underwriter or the Owners of at least 25% of the Accreted Value of Outstanding Series 2018 Turbo Bonds, upon receipt of satisfactory indemnity, shall), or any Beneficial Owner may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the Developer or the Dissemination Agent, as the case may be, to comply with its obligations under this Continuing Disclosure Agreement. A default under this Continuing Disclosure Agreement shall not be deemed an Event of Default under the Indenture, and the sole remedy under this Continuing Disclosure Agreement in the event of any failure of the Developer or the Dissemination Agent to comply with this Continuing Disclosure Agreement shall be an action to compel performance.

Section 7. Duties of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Continuing Disclosure Agreement.

Section 8. Notices. Any notices or other communications to or among any of the parties to this Continuing Disclosure Agreement shall be sufficiently given and shall be deemed given upon receipt if personally delivered or mailed by certified mail, return receipt requested, or by confirmed facsimile, or delivered in person or by overnight courier, and will be deemed given on the second day following the date on which the notice or communication is so mailed, as follows:

To the Developer:

Legacy KCK Westside Venture, LLC
c/o Legacy Development, LLC
4717 Central
Kansas City, MO 64112
Attention: Dan Lowe

With a copy to:

Sandberg Phoenix & Von Gotard, P.C.
7227 Metcalf
Overland Park, KS 66204
Attention: Richard B. Katz

To the Dissemination Agent:

Security Bank of Kansas City
Attention: Corporate Trust Department
One Security Plaza
701 Minnesota
Kansas City, Kansas 66101

Any person may, by written notice to the other persons listed above, designate a different address to which subsequent notices or communications should be sent.

Section 9. Beneficiaries. This Continuing Disclosure Agreement shall inure solely to the benefit of the Developer, the Trustee, the Dissemination Agent, the Participating Underwriter, and Beneficial Owners from time to time of the Series 2018 Turbo Bonds, and shall create no rights in any other person or entity.

Section 10. Severability. If any provision in this Continuing Disclosure Agreement, the Indenture or the Series 2018 Turbo Bonds shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 11. Counterparts. This Continuing Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 12. Governing Law. This Continuing Disclosure Agreement shall be governed by and construed in accordance with the laws of the State of Kansas.

Section 13. Electronic Transactions. The arrangement described herein may be conducted and related documents may be stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

SIGNATURES ON FOLLOWING PAGES

**LEGACY KCK WESTSIDE VENTURE,
LLC, a Kansas limited liability company**

By: _____
Title: _____

**SECURITY BANK OF KANSAS CITY,
as Dissemination Agent**

By: _____
Title: _____

EXHIBIT A

FORM OF [SEMI-ANNUAL/ANNUAL] REPORT

Name of Developer: Legacy KCK Westside Venture, LLC, a Kansas limited liability company

Name of Issue: \$_____ Community Improvement District Sales Tax Revenue Bonds (Legends Apartments Garage & West Lawn Project), Series 2018 (the “**Series 2018 Turbo Bonds**”)

Date of Issuance: _____, 2018

NOTICE IS HEREBY GIVEN that the Developer has not provided a / an [annual] [semi-annual] Report with respect to the above-named Bonds as required by the Continuing Disclosure Agreement dated as of June 1, 2018, between the Developer and Security Bank of Kansas City, as Dissemination Agent. The Issuer has notified the Dissemination Agent that the Issuer anticipates that a Report will be filed by _____.

Dated: _____

**Security Bank of Kansas City, as
Dissemination Agent on behalf of the Unified
Government of Wyandotte County / Kansas
City, Kansas**

By: _____
Title: _____

cc: Unified Government of Wyandotte County / Kansas City, Kansas

EXHIBIT B

FORM OF REPORT

Name of Developer: Legacy KCK Westside Venture, LLC, a Kansas limited liability company

Name of Issue: \$_____ Community Improvement District Sales Tax Revenue Bonds (Legends Apartments Garage & West Lawn Project), Series 2018 (the “**Series 2018 Turbo Bonds**”)

Date of Issuance: _____, 2018

Date of Report: _____, 20__

This Report relates only to the Developer’s continuing disclosure obligation undertaken in connection with the delivery of the Bonds pursuant to SEC Rule 15c2-12. The Developer may have additional continuing disclosure obligations in connection with other municipal debt that are not covered by this Report.

[Include information required for such Report as set forth in the Continuing Disclosure Agreement.]

EXHIBIT C

REPORTS AND REPORTING PERIODS

The Developer shall, or shall cause the Dissemination Agent to, not later than 90 days after each Reporting Date as set forth below, commencing December 1, 2018, provide to the MSRB, via EMMA, the financial information and operating data as set forth below:

A. Update of the discussion in the Official Statement related to (Reporting Date: December 1):

1. the Developer; and
2. the Legends Apartments and Garage Project

under the headings “INTRODUCTION – The Projects, Developers and the Development Agreements” and “THE PROJECTS, DEVELOPERS AND DEVELOPMENT AGREEMENTS – Legends Apartments and Garage Project.”

B. Report to be provided by Developer relating to status of the Legends Apartments and Garage Project and performance of the Apartments and Garage Development Agreement, with respect to the following (Reporting Date: December 1):

1. Summary of any material revisions to the Apartments and Garage Development Agreement or assignment of the Agreement by the Apartments and Garage Developer.

2. Any default or failure of performance of the Apartments and Garage Developer under the Apartments and Garage Development Agreement.

3. A certification of compliance by the Developer with the requirements of the Apartments and Garage Development Agreement.

4. Change in operating control or management of the Legends Apartments and Garage Project and description of any new owner or manager.

5. Status of the Developer’s compliance with the requirements of the Apartments and Garage Development Agreement relating to holdback of disbursements from the Project Fund as described in the Official Statement under the heading “**THE PROJECTS, DEVELOPERS AND DEVELOPMENT AGREEMENTS - Project Funding Holdbacks and Special Mandatory Redemption Provisions.**”

6. A description of any action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body, pending or threatened by or against the Developer: (i) in any way questioning the due formation and valid existence of such entity or (ii) in any way questioning or affecting the validity of the Apartment and Garage Development Agreement or any other agreements entered into by such entity or the consummation of the transactions contemplated thereby.

C. Report to be provided by Developer relating to status of the Legends Apartments and Garage Project and performance of the Apartments and Garage Development Agreement with respect to the following (to the extent of information available to the Developer) until completion of construction, development and opening for operation of the Legends Apartments and Garage Project (Reporting Date: December 1):

1. Status of platting, zoning, platting requirements, permits and other required governmental approvals
2. Source and amount of funds expended for the Legends Apartments and Garage Project
3. Status of construction of the Legends Apartments and Garage Project

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DEVELOPER CONTINUING DISCLOSURE AGREEMENT

This **CONTINUING DISCLOSURE AGREEMENT** dated as of ____ June 1, 2018 (the “**Continuing Disclosure Agreement**”) is executed and delivered by the **W-LD LEGENDS OWNER VII, L.L.C.**, a Delaware limited liability company (the “**West Lawn Developer**” or “**Developer**”) and **SECURITY BANK OF KANSAS CITY**, as dissemination agent (the “**Dissemination Agent**”).

RECITALS

This Continuing Disclosure Agreement is executed and delivered in connection with the issuance by The Unified Government of Wyandotte County / Kansas City, Kansas of its \$____ Community Improvement District Sales Tax Revenue Bonds (Legends Apartments Garage & West Lawn Project), Series 2018 (the “**Series 2018 Turbo Bonds**”) pursuant to a Bond Trust Indenture, dated as of June 1, 2018, as supplemented and amended, between the Issuer and Security Bank of Kansas City, as trustee (the “**Indenture**”). The Series 2018 Turbo Bonds are being offered by the Participating Underwriter pursuant to an Official Statement, dated as of ____, 2018 (the “**Official Statement**”).

This Continuing Disclosure Agreement is entered into for the benefit of the Beneficial Owners of the Series 2018 Turbo Bonds and in order to assist the Participating Underwriter in complying with Rule 15c2-12 of the Securities and Exchange Commission (the “**Rule**”). In consideration of the mutual covenants and agreements herein, the Developer and the Dissemination Agent covenant and agree as follows:

Section 1. Definitions. In addition to the definitions set forth in the Official Statement and the Indenture, which apply to any capitalized term used in this Continuing Disclosure Agreement unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“**Beneficial Owner**” means any registered owner of the Series 2018 Turbo Bonds and any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Series 2018 Turbo Bonds (including persons holding Series 2018 Turbo Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Series 2018 Turbo Bonds for federal income tax purposes.

“**Business Day**” means a day other than a Saturday, Sunday or holiday on which the Dissemination Agent is scheduled in the normal course of its operations to be open to the public for conduct of its operations.

“**Dissemination Agent**” means Security Bank of Kansas City, Kansas City, Kansas, acting in its capacity as Dissemination Agent hereunder, or any successor Dissemination Agent designated in writing by the Issuer.

“**EMMA**” means the Electronic Municipal Market Access system for municipal securities disclosures operated by the MSRB, which can be accessed at www.emma.msrb.org.

“**MSRB**” means the Municipal Securities Rulemaking Board, or any successor repository designated as such by the Securities and Exchange Commission in accordance with the Rule.

“**Participating Underwriter**” means Citigroup Global Markets Inc., as representative of the underwriters of the Series 2018 Turbo Bonds required to comply with the Rule in connection with offering of the Series 2018 Turbo Bonds.

“Report” means any report provided by the Developer pursuant to, and as described in, **Section 2** of this Continuing Disclosure Agreement and in substantially the form as set forth in **Exhibit B**.

“Reporting Date” means the date related to each Report as described in **Exhibit C**.

“Reporting Period” means the semi-annual or annual period covered by a Report commencing with the reporting date for the immediately preceding Report to the reporting date for the current Report.

“Rule” means Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

Provision of Information.

Section 1. Provision of Reports.

- (a) The Developer shall, or shall cause the Dissemination Agent to, not later than 90 days after each Reporting Date as set forth on **Exhibit C**, provide to the MSRB, via EMMA, a completed report containing the information and substantially in the form as set forth in **Exhibit C**.
- (b) Reserved.
- (c) Not later than 5 Business Days prior to the dates specified in subsection (a) hereof for providing a Report to the MSRB, via EMMA, the Developer shall either provide such Report to the Dissemination Agent with instructions to file the Report as specified in subsection (a) hereof, or provide to the Dissemination Agent a written certification that the Developer (or another entity on behalf of the Developer) has provided the Report to the MSRB, via EMMA.
- (d) If the Dissemination Agent has not received the Report with written instructions to file the same or has not received a written notice from the Developer that it has provided the Report to the MSRB, via EMMA, by the dates required for such Report in subsection (a) hereof, the Dissemination Agent shall send a notice to the Participating Underwriter and to the MSRB, via EMMA, in substantially the form attached as **Exhibit A** hereto.
- (e) The Dissemination Agent shall:
 - 1. notify the Developer each year not later than 60 days and again not later than 30 days before the date each report must be provided to the Dissemination Agent or the MSRB, via EMMA; and
 - 2. unless the Developer has certified in writing that the Developer (or another entity on behalf of the Developer) has provided a Report to the MSRB, via EMMA, promptly following receipt of a Report and instructions required in subsection (c) above, file the Report with the MSRB, via EMMA, and shall file a report with the Developer and (if the Dissemination Agent is not the Trustee) the Trustee certifying that the required Report has been provided to the MSRB, via EMMA, pursuant to this Continuing Disclosure Agreement, stating the date it was provided.

Section 2. The Developer's obligations under this Continuing Disclosure Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Series 2018 Turbo Bonds. If the Developer's obligations under this Continuing Disclosure Agreement are assumed in full by some other entity, such Person shall be responsible for compliance with this Continuing Disclosure Agreement in the same manner as if it were the Developer, and the Developer shall have no further responsibility hereunder. If such termination or substitution occurs prior to the final maturity of the Series 2018 Turbo Bonds, the Developer shall cause the Dissemination Agent to give notice of such termination or substitution and the Dissemination Agent shall promptly file a notice of such occurrence with the MSRB, via EMMA, with a copy to the Issuer.

Section 3. Dissemination Agent. The Developer may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Continuing Disclosure Agreement, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. The initial Dissemination Agent shall be Security Bank of Kansas City. The Dissemination Agent may resign at any time upon giving 30 days' prior written notice to the Developer. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report (including, without limitation, any Report) prepared by the Developer pursuant to this Continuing Disclosure Agreement.

Section 4. Amendment; Waiver. Notwithstanding any other provision of this Continuing Disclosure Agreement, the Developer and the Dissemination Agent may amend this Continuing Disclosure Agreement and any provision of this Continuing Disclosure Agreement may be waived, in each case by a writing signed by both the Developer and the Dissemination Agent, provided that Bond Counsel or other counsel experienced in federal securities law matters provides the Developer and the Dissemination Agent with its written opinion that the undertaking of the Developer contained herein, as so amended or after giving effect to such waiver, is in compliance with the Rule and all current amendments thereto and interpretations thereof that are applicable to this Continuing Disclosure Agreement.

In the event of any amendment or waiver of a provision of this Continuing Disclosure Agreement, the Developer shall describe such amendment or waiver in the next Report, and shall include, as applicable, a narrative explanation of the reason for such amendment or waiver and its impact on the type (or, in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Developer. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (1) notice of such change shall be given in the same manner as for a Material Event under **Section 3(d)**, and (2) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 5. Additional Information. Nothing in this Continuing Disclosure Agreement shall be deemed to prevent the Developer from disseminating any other information, using the means of dissemination set forth in this Continuing Disclosure Agreement or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Material Event, in addition to that which is required by this Continuing Disclosure Agreement. If the Developer chooses to include any information in any Annual Report or notice of occurrence of a Material Event, in addition to that which is specifically required by this Continuing Disclosure Agreement, the Developer shall have no obligation under this Continuing Disclosure Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Material Event.

Section 6. Default. In the event of a failure of the Developer or the Dissemination Agent to comply with any provision of this Continuing Disclosure Agreement, the Trustee may (and, at the request of any Participating Underwriter or the Owners of at least 25% of the Accreted Value of Outstanding Series 2018 Turbo Bonds, upon receipt of satisfactory indemnity, shall), or any Beneficial Owner may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the Developer or the Dissemination Agent, as the case may be, to comply with its obligations under this Continuing Disclosure Agreement. A default under this Continuing Disclosure Agreement shall not be deemed an Event of Default under the Indenture, and the sole remedy under this Continuing Disclosure Agreement in the event of any failure of the Developer or the Dissemination Agent to comply with this Continuing Disclosure Agreement shall be an action to compel performance.

Section 7. Duties of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Continuing Disclosure Agreement.

Section 8. Notices. Any notices or other communications to or among any of the parties to this Continuing Disclosure Agreement shall be sufficiently given and shall be deemed given upon receipt if personally delivered or mailed by certified mail, return receipt requested, or by confirmed facsimile, or delivered in person or by overnight courier, and will be deemed given on the second day following the date on which the notice or communication is so mailed, as follows:

To the Developer:

W-LD Legends Owner VII, L.L.C.
c/o Walton Street Capital
900 North Michigan Avenue, Suite 1900
Chicago, Illinois 60611
Attention: Josh Zemon

With a copy to:

Greenberg Traurig LLP
77 West Wacker Drive, Suite 3100
Chicago, Illinois 60601
Attn: Jason Toon, Esq.

To the Dissemination Agent:

Security Bank of Kansas City
Attention: Corporate Trust Department
One Security Plaza
701 Minnesota
Kansas City, Kansas 66101

Any person may, by written notice to the other persons listed above, designate a different address to which subsequent notices or communications should be sent.

Section 9. Beneficiaries. This Continuing Disclosure Agreement shall inure solely to the benefit of the Developer, the Trustee, the Dissemination Agent, the Participating Underwriter, and Beneficial Owners from time to time of the Series 2018 Turbo Bonds, and shall create no rights in any other person or entity.

Section 10. Severability. If any provision in this Continuing Disclosure Agreement, the Indenture or the Series 2018 Turbo Bonds shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 11. Counterparts. This Continuing Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 12. Governing Law. This Continuing Disclosure Agreement shall be governed by and construed in accordance with the laws of the State of Kansas.

Section 13. Electronic Transactions. The arrangement described herein may be conducted and related documents may be stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

SIGNATURES ON FOLLOWING PAGES

W-LD LEGENDS OWNER VII, L.L.C.,
a Delaware limited liability company

By: W-LD Legends Holdings VII, L.L.C.,
a Delaware limited liability company ,
its Sole Member

By: W-LD Legends Investors VII, L.L.C.,
a Delaware limited liability company,
its Authorized Member

By: Walton Acquisition REOC Holdings VII, L.L.C.,
a Delaware limited liability company,
its Sole Member

By: Walton Street Real Estate Fund VII-Q, L.P.,
a Delaware limited partnership,
its Managing Member

By: Walton Street Managers VII, L.P.,
a Delaware limited partnership,
its General Partner

By: WSC Managers VII, Inc.
a Delaware corporation,
its General Partner

By: _____
Name: _____
Title: _____

SECURITY BANK OF KANSAS CITY,
as Dissemination Agent

By: _____
Title: _____

EXHIBIT A

FORM OF [SEMI-ANNUAL/ANNUAL] REPORT

Name of Developer: W-LD Legends Owner VII, L.L.C., a Delaware limited liability company

Name of Issue: \$_____ Community Improvement District Sales Tax Revenue Bonds (Legends Apartments Garage & West Lawn Project), Series 2018 (the “**Series 2018 Turbo Bonds**”)

Date of Issuance: _____, 2018

NOTICE IS HEREBY GIVEN that the Developer has not provided a / an [annual] [semi-annual] Report with respect to the above-named Bonds as required by the Continuing Disclosure Agreement dated as of June 1, 2018, between the Developer and Security Bank of Kansas City, as Dissemination Agent. The Issuer has notified the Dissemination Agent that the Issuer anticipates that a Report will be filed by _____.

Dated: _____

**Security Bank of Kansas City, as
Dissemination Agent on behalf of the Unified
Government of Wyandotte County / Kansas
City, Kansas**

By: _____
Title: _____

cc: Unified Government of Wyandotte County / Kansas City, Kansas

EXHIBIT B

FORM OF REPORT

Name of Developer: W-LD Legends Owner VII, L.L.C., a Delaware limited liability company

Name of Issue: \$_____ Community Improvement District Sales Tax Revenue Bonds (Legends Apartments Garage & West Lawn Project), Series 2018 (the “**Series 2018 Turbo Bonds**”)

Date of Issuance: _____, 2018

Date of Report: _____, 20__

This Report is made with respect to the above-named Bonds as required by the Continuing Disclosure Agreement (the “Continuing Disclosure Agreement”) dated as of June 1, 2018, between the Developer and Security Bank of Kansas City, as Dissemination Agent pursuant to SEC Rule 15c2-12. This Report relates only to the continuing disclosure obligation undertaken by the Developer in connection with the delivery of the Bonds pursuant to the Continuing Disclosure Agreement. The Developer may have additional continuing disclosure obligations in connection with other municipal debt that are not covered by this Report.

[Include information required for such Report as set forth in the Continuing Disclosure Agreement.]

EXHIBIT C
REPORTS AND REPORTING PERIODS

The Developer shall, or shall cause the Dissemination Agent to, not later than 90 days after each Reporting Date as set forth below, commencing December 1, 2018, provide to the MSRB, via EMMA, the financial information and operating data as set forth below:

A. A completed table regarding Retail Activity within Legends Outlets (as shown on Exhibit D) as set forth below (Reporting Date: December 1).

Annual Report Regarding Retail Activity with respect to all business operations within Legends Outlets during the Reporting Period.

RETAIL OPERATOR	SQUARE FOOTAGE	STATUS (OPEN / LEASED)	OPEN OR PROJECTED OPENING DATE (MM/YY)

B. Update of the discussion in the Official Statement related to all of the following (Reporting Date: December 1):

1. the Developer;
2. Legends Outlets (including ownership and management thereof); and
3. Legacy Development; and
4. the West Lawn Project

under the headings “INTRODUCTION – Existing CID Retail Development and Vacant and Undeveloped Space” and “-The Projects, Developers and Developments and Development Agreements,” “COMMUNITY IMPROVEMENT DISTRICT, EXISTING CID RETAIL DEVELOPMENT AND HISTORICAL RETAIL SALES - Background and Overview of Village West, Legends Outlets and Other Existing CID Retail Development” and “- Legacy Development and Related Entities,” and “THE PROJECTS, DEVELOPERS AND DEVELOPMENT AGREEMENTS”

C. A report containing the following information relating to Legends Outlets (Reporting Date: December 1): Table setting forth the Lease Terms (of taxpayers within Legends Outlets) of

the 10 largest taxpayers within the CID, in groups of five, based on the Largest Taxpayers Report last provided by the Issuer, and containing the information as follows:

	Tenant Name	Lease Expiration or Renewal Option Date Range
5 Largest Taxpayers		
Next 5 Largest Taxpayers		
		Current Lease Terms range from __ - __ years and the weighted average Lease Term is __ years
		Current Lease Terms range from __ - __ years and the weighted average Lease Term is __ years

D. Report to be provided by Developer relating to status of the West Lawn Project and performance of the West Lawn Development Agreement, with respect to the following (Reporting Date: December 1):

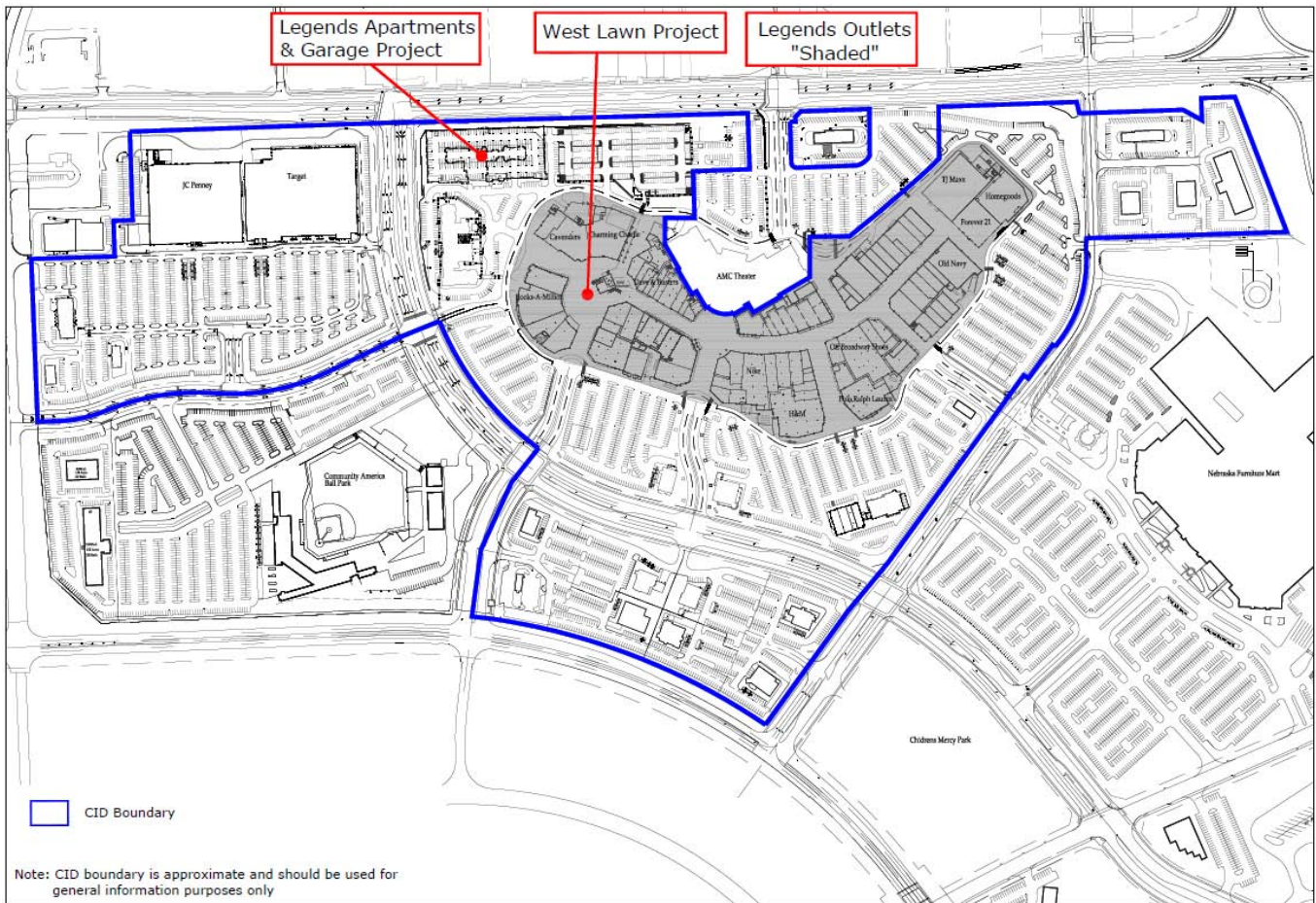
1. Summary of any material revisions to the West Lawn Development Agreement or assignment of the Agreement by the West Lawn Developer.
2. Any default or failure of performance of the West Lawn Developer under the West Lawn Development Agreement.
3. A certification of compliance by the Developer with the requirements of the West Lawn Development Agreement.
4. Change in operating control or management of the Legends Outlets and description of any new owner or manager.
5. Status of the Developer's compliance with the requirements of the West Lawn Development Agreement relating to holdback of disbursements from the Project Fund as described in the Official Statement under the heading **"THE PROJECTS, DEVELOPERS AND DEVELOPMENT AGREEMENTS - Project Funding Holdbacks and Special Mandatory Redemption Provisions."**
6. A description of any action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body, pending or threatened by or against the Developer, or a related entity: (i) in any way questioning the due formation and valid existence of such entity, (ii) in any way questioning or affecting the validity of the West Lawn Development Agreement or the consummation of the transactions contemplated thereby, or (iii) having a material adverse impact on the operations of Legends Outlets.

E. Report to be provided by Developer relating to status of the West Lawn Project and performance of the West Lawn Development Agreement with respect to the following (to the extent of information available to the Developer) until completion of construction, development and opening for operation of the West Lawn Project (Reporting Date: December 1):

- a. Status of platting, zoning, platting requirements, permits and other required governmental approvals
- b. Source and amount of funds expended for the West Lawn Project
- c. Status of construction of the West Lawn Project

EXHIBIT D

LEGENDS OUTLETS



Appendix E

FORM OF BOND COUNSEL OPINION

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FORM OF BOND COUNSEL OPINION

June __, 2018

Governing Body
Unified Government of Wyandotte County/Kansas City, Kansas
Kansas City, Kansas

Citigroup Global Markets, Incorporated
New York, New York

Re: \$_____ Community Improvement District Sales Tax Revenue
Bonds (Legends Apartments Garage & West Lawn Project), Series 2018, of the
Unified Government of Wyandotte County/Kansas City, Kansas

We have acted as Bond Counsel to the Unified Government of Wyandotte County/Kansas City, Kansas (the “Issuer”), in connection with the issuance of the above-captioned bonds (the “Bonds”). In this capacity, we have examined the law and the certified proceedings, certifications and other documents that we deem necessary to render this opinion.

Regarding questions of fact material to our opinion, we have relied on the certified proceedings and other certifications of public officials and others furnished to us without undertaking to verify them by independent investigation.

Based on and subject to the foregoing, we are of the opinion, under existing law, as follows:

1. The Bonds have been duly authorized, executed and delivered by the Issuer and are valid and legally binding special obligations of the Issuer.

2. The Bonds are special obligations of the Issuer, payable as to both principal and interest solely from the Revenues and other funds held by the Trustee and pledged under the Indenture as security for the Bonds. The Bonds do not constitute general obligations of the Issuer nor do they constitute an indebtedness of the Issuer within the meaning of any constitutional, statutory or charter provision, limitation or restriction, and the taxing power of the Issuer is not pledged to the payment of the Bonds.

3. The interest on the Bonds [(including any original issue discount properly allocable to an owner thereof)] (i) is excludable from gross income for federal income tax purposes, and (ii) is not an item of tax preference for purposes of computing the federal alternative minimum tax. The opinions set forth in this paragraph are subject to the condition that the Issuer complies with all requirements of the Internal Revenue Code of 1986, as amended (the “Code”) that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes. The Issuer has covenanted to comply with all of these requirements. Failure to comply with

certain of these requirements may cause the interest on the Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Bonds. The Bonds have not been designated as “qualified tax-exempt obligations” for purposes of Section 265(b) of the Code.

4. The interest on the Bonds is exempt from income taxation by the State of Kansas.

We express no opinion regarding the accuracy, completeness or sufficiency of the Official Statement or other offering material relating to the Bonds (except to the extent, if any, stated in the Official Statement). Further, we express no opinion regarding tax consequences arising with respect to the Bonds other than as expressly set forth in this opinion.

The rights of the owners of the Bonds and the enforceability thereof may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors’ rights generally and by equitable principles, whether considered at law or in equity.

This opinion is given as of its date, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may come to our attention or any changes in law that may occur after the date of this opinion.

Very truly yours,

Appendix F

**CERTAIN INFORMATION CONCERNING THE UNIFIED GOVERNMENT OF WYANDOTTE
COUNTY/KANSAS CITY, KANSAS**

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CERTAIN INFORMATION RELATING TO THE UNIFIED GOVERNMENT

UNIFIED GOVERNMENT PROPERTY VALUES

The determination of assessed valuation and the collection of property taxes for all political subdivisions in the State of Kansas is conducted by Kansas counties. The Wyandotte County Appraiser's office determines annually the assessed valuation that is used as a basis for the mill levy on property located in the Unified Government. The Unified Government Appraiser's determination is based on criteria established by Kansas Statute.

The market valuation of every property is updated every year, with physical inspection required once every six years. Valuations as of January 1 are made available in September of each year for taxes payable during the next calendar year. The State Constitution provides that, for ad valorem taxation purposes, real and personal property are divided into classes and assessed at percentages of market value.

2017/18 Taxable Assessed Value by Class of Property: \$1,208,714,119

	<u>Total</u>	Percent of <u>Total</u>
Real Estate	\$1,070,760,527	88.6%
Personal Property	57,811,642	4.8
Utilities	<u>80,141,950</u>	<u>6.6</u>
Total	\$1,208,714,119	100.0%

Source: County Clerk's office of Wyandotte County, Kansas.

Total Equalized Assessed Tangible Valuations

	<u>Wyandotte County</u>				
<u>Year</u>	<u>Real Property</u>	<u>Personal Property</u>	<u>State Assessed Utilities</u>	<u>Special Motor Vehicles</u>	<u>Total</u>
2017/18	\$1,070,760,527	\$57,811,642	\$80,141,950	\$140,022,759	\$1,348,736,878
2016/17	1,028,187,363	61,627,010	91,717,690	135,062,201	1,316,594,264
2015/16	990,206,580	63,375,062	85,851,534	126,395,984	1,265,829,160
2014/15	953,992,985	70,160,368	74,586,821	119,834,832	1,218,575,006
2013/14	934,648,262	87,712,079	73,309,125	116,127,017	1,211,796,483

	<u>City of Kansas City, Kansas</u>				
<u>Year</u>	<u>Real Property</u>	<u>Personal Property</u>	<u>State Assessed Utilities</u>	<u>Special Motor Vehicles</u>	<u>Total</u>
2017/18	\$954,627,361	\$53,272,856	\$72,077,008	\$127,407,120	\$1,207,384,345
2016/17	921,243,873	56,777,514	83,664,066	122,671,850	1,184,357,303
2015/16	884,539,295	58,869,677	77,655,254	114,240,821	1,135,305,047
2014/15	852,927,158	65,279,122	66,852,833	108,205,718	1,093,264,831
2013/14	837,949,270	82,234,798	65,791,156	105,001,763	1,090,976,987

**Source: County Clerk's office of Wyandotte County, Kansas.*

Ten Largest Taxpayers in the Unified Government

<u>Taxpayer</u>	<u>Type of Business</u>	<u>2017/18 Assessed Valuation</u>
Kansas Entertainment	Entertainment – Casino	\$ 41,505,957
W-LD Legends (Legends Shopping)	Shopping Center	39,635,312
General Motors	Automobile Manufacturing	30,819,279
Magellan Pipeline	Utility	18,331,732
Union Pacific Railroad	Railroad	14,549,367
SVV I LLC (Schlitterbahn)	Waterpark	13,698,651
Burlington Northern Santa Fe	Railroad	13,622,755
Nebraska Furniture Mart	Furniture/Electronics	12,358,029
Cerner Corporation	Healthcare Technology	11,906,625
Kansas Gas Service	Utility	<u>7,174,404</u>
Total		\$203,602,111 *

* Represents 16.8% of the Unified Government's 2017/18 total taxable assessed valuation of \$1,208,714,119. Does not include exempt properties including businesses with exemptions granted which require payments in lieu of taxes or properties which are part of a TIF project

UNIFIED GOVERNMENT INDEBTEDNESS

The total outstanding general obligation indebtedness of the Unified Government as of April 1, 2018 is shown in the table on the following page:

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Outstanding General Obligation Debt as of April 1, 2018

Debt Applicable to City of Kansas City, Kansas

	<u>Non-Exempt</u>	Storm or Sanitary Sewer System <u>10-309</u>	TIF <u>12-1770</u>	Judgments or Settlements <u>75-6113</u>	<u>Total</u>
Series 2008-C GO	194,350	105,650	-	-	300,000
Series 2008-D Tax GO	9,153	85,847	-	-	95,000
Series 2009-A GO	1,059,870	223,827	826,303	-	2,110,000
Series 2009-B Tax GO	850,000	-	-	-	850,000
Series 2010-A GO	2,798,981	884,395	981,623	-	4,665,000
Series 2010-B Tax GO	-	-	7,294,576	760,424	8,055,000
Series 2010-C Tax RZEDB	3,946,000	1,919,000	-	-	5,865,000
Series 2010-D Tax BAB	13,922,578	1,372,422	-	-	15,295,000
Series 2010-F Tax RZEDB	5,651,887	3,033,113	-	-	8,685,000
Series 2010-G Tax GO	2,530,000	-	-	-	2,530,000
Series 2011-A GO	11,983,820	2,105,689	765,492	-	14,855,000
Series 2011-C Tax GO	-	-	1,865,000	-	1,865,000
Series 2011-D Refunding	6,050,904	1,984,096	170,000	-	8,205,000
Series 2012-A	6,630,887	5,909,113	-	-	12,540,000
Series 2013-A	5,559,631	5,770,369	-	-	11,330,000
Series 2013-B Tax	1,393,347	-	2,326,727	234,926	3,955,000
Series 2013-C Refunding	5,880,000	100,000	-	-	5,980,000
Series 2013-D Tax & Ref	3,715,000	-	-	-	3,715,000
Series 2014-A	8,359,109	6,170,891	-	-	14,530,000
Series 2014-B Tax	225,038	-	-	834,962	1,060,000
Series 2015-A	14,540,000	9,975,000	2,390,000	-	26,905,000
Series 2015-B Tax GO	1,845,000	-	-	1,420,000	3,265,000
Series 2015-D Refunding	13,130,000	3,055,000	270,000	-	16,455,000
Series 2016-A	15,315,000	10,535,000	-	-	25,850,000
Series 2016-B Refunding	17,177,337	2,497,663	-	-	19,675,000
Series 2016-C Tax & Ref	1,648,709	1,221,291	-	-	2,870,000
Series 2017-A GO	15,060,000	5,955,000	980,000	-	21,995,000
Series 2017-B Tax GO	4,810,000	-	-	-	4,810,000
Series 2017-C Refunding	6,524,981	1,377,966	5,087,053	-	12,990,000
Series 2017-D Refunding	22,277,851	7,039,143	7,813,006	-	37,130,000
Series 2018-A GO	22,730,730	11,294,270	-	-	34,025,000
Subtotal-Bonds	\$ 215,820,164	\$ 82,614,743	\$ 30,769,780	\$ 3,250,312	\$ 332,455,000
Series 2018-I	33,110,356	31,909,644	-	-	65,020,000
Subtotal-Temp Notes	\$ 33,110,356	\$ 31,909,644	\$ -	\$ -	\$ 65,020,000
Total City Bonds/Notes	\$ 248,930,521	\$ 114,524,387	\$ 30,769,780	\$ 3,250,312	\$ 397,475,000

Debt Applicable to Wyandotte County, Kansas

Series 2014-C	\$ 8,275,000	\$ -	\$ -	\$ -	\$ 8,275,000
Series 2015-C	4,310,000	-	-	-	4,310,000
Series 2018-B	1,545,000	-	-	-	1,450,000
Subtotal-Bonds	\$ 14,130,000	\$ -	\$ -	\$ -	\$ 14,035,000
None	\$ -	\$ -	\$ -	\$ -	-
Subtotal-Temp Notes	\$ -	\$ -	\$ -	\$ -	\$ -
Total County Bonds/Notes	\$ 14,130,000	\$ -	\$ -	\$ -	\$ 14,035,000
Total City and County	\$ 263,060,521	\$ 114,524,387	\$ 30,769,780	\$ 3,250,312	\$ 411,510,000

The Unified Government of Wyandotte County/Kansas City, Kansas is authorized to issue indebtedness as a city of the first class and as a county. When issuing general obligation debt under its authority as a county, all areas within Wyandotte County provide the general obligation pledge for that debt. When issuing general obligation debt under its authority as a city, only the area within the incorporated boundaries of the City of Kansas City is subject to taxation for that debt.

The following schedules present the available debt margin computations based on the 2017/18 equalized assessed tangible valuation, outstanding debt, and debt service funds as of April 1, 2018.

2017/18 Total Equalized Assessed Tangible Valuation of the County	\$1,348,736,878
Debt Limit Ratio	<u>30%</u>
Debt Limit	\$ 404,621,063
Outstanding G.O. Debt Subject to Debt Limit	(263,060,521)
Outstanding TIF Debt Subject to Debt Limit	<u>0*</u>
Debt Authority Remaining February 27, 2018	\$ 141,560,542
* <i>Outstanding TIF Debt</i>	\$ 30,769,780
<i>Less: 3% of 2017/18 Total Assessed Tangible Valuation of the City</i>	<u>(36,221,530)</u>
<i>Outstanding TIF Debt Subject to Debt Limit</i>	\$ (5,451,750)

The exceptions to the statutory limitations on bonded indebtedness include sanitary sewers or storm sewers or drains (K.S.A. 12-345(e)), certain tax increment financing redevelopment districts (K.S.A. 12-1770), judgments (K.S.A. 75-6113), streets outside of cities (K.S.A. 68-729) and for several other specific purposes.

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General Obligation Bonds

City of Kansas City

<u>Date of Issue</u>	<u>Original Amount</u>	<u>Purpose</u>	<u>Final Maturity</u>	<u>Est. Principal Outstanding As of 4-1-18</u>
10-15-08	\$ 6,415,000	Improvements (2008-C)	8-1-2018	\$ 300,000
10-15-08	2,100,000	Tax Improvements (2008-D)	8-1-2018	95,000
3-31-09	22,335,000	Improvements (2009-A)	8-1-2019	2,110,000
3-31-09	1,180,000	Tax Improvements (2009-B)	8-1-2029	850,000
2-26-10	50,875,000	Improvements (2010-A)	8-1-2020	4,665,000
2-26-10	10,780,000	Tax Improvements (2010-B)	8-1-2026	8,055,000
2-26-10	7,770,000	Tax Improvements RZEDBs (2010-C)	8-1-2030	5,865,000
2-26-10	19,415,000	Tax Improvements BABs (2010-D)	8-1-2030	15,295,000
12-16-10	10,785,000	Tax Improvements RZEDBs (2010-F)	8-1-2030	8,685,000
12-16-10	2,530,000	Tax Improvements QECBs (2010-G)	8-1-2027	2,530,000*
2-24-11	18,500,000	Improvements (2011-A)	8-1-2031	14,855,000
2-24-11	2,570,000	Tax Improvements (2011-C)	8-1-2026	1,865,000
9-15-11	12,770,000	Refunding (2011-D)	8-1-2022	8,205,000
2-23-12	15,200,000	Improvements (2012-A)	8-1-2032	12,540,000
2-27-13	15,225,000	Improvements (2013-A)	8-1-2033	11,330,000
2-27-13	5,225,000	Tax Improvements (2013-B)	8-1-2031	3,955,000
5-30-13	9,950,000	Refunding (2013-C)	8-1-2023	5,980,000
5-30-13	4,285,000	Tax Improvements & Refunding (2013-D)	8-1-2028	3,715,000
2-27-14	16,480,000	Improvements (2014-A)	8-1-2034	14,530,000
2-27-14	1,465,000	Tax Improvements (2014-B)	8-1-2024	1,060,000
2-26-15	29,655,000	Improvements (2015-A)	8-1-2035	26,905,000
2-26-15	3,800,000	Tax Improvements & Refunding (2015-B)	8-1-2025	3,265,000
2-26-15	20,615,000	Refunding (2015-D)	8-1-2025	16,455,000
2-25-16	26,825,000	Improvements (2016-A)	8-1-2036	25,850,000
3-17-16	19,675,000	Refunding (2016-B)	8-1-2028	19,675,000
3-17-16	2,870,000	Tax Refunding (2016-C)	8-1-2028	2,870,000
2-23-17	21,995,000	Improvements (2017-A)	8-1-2037	21,995,000
2-23-17	4,810,000	Tax Improvements (2017-B)	8-1-2037	4,810,000
2-23-17	12,990,000	Refunding (2017-C)	8-1-2029	12,990,000
12-28-17	37,130,000	Refunding (2017-D)	8-1-2030	37,130,000
2-27-18	34,025,000	Improvements (2018-A) (the Series 2018-A Bonds)	8-1-2038	<u>34,025,000</u>
Total				\$332,455,000

* The Unified Government has paid at total of \$1,041,764.70 into a sinking fund held by UMB National Bank of America, Wichita, Kansas. Each August 1 the Unified Government pays \$148,823.53 towards the principal of this issue.

Wyandotte County

<u>Date of Issue</u>	<u>Original Amount</u>	<u>Purpose</u>	<u>Final Maturity</u>	<u>Est. Principal Outstanding As of 4-1-18</u>
2-27-14	\$10,015,000	Improvements (2014-C)	8-1-2029	\$ 8,275,000
2-26-15	5,070,000	Improvements (2015-C)	8-1-2029	4,310,000
2-27-18	1,450,000	Improvements (2018-B)	8-1-2028	<u>1,450,000</u>
Total				\$14,035,000

Municipal Temporary Notes

City of Kansas City

<u>Date of Issue</u>	<u>Original Amount</u>	<u>Purpose</u>	<u>Final Maturity</u>	<u>Est. Principal Outstanding As of 4-1-18</u>
2-27-18	65,020,000	Temp Notes (2018-I) (the Notes)	3-1-2019	65,020,000

Revenue-Backed State Loans

The Unified Government has entered into three agreements with the Kansas Department of Health and Environment which resulted in the State of Kansas loaning money to the Unified Government's Water Pollution Control Division for the purpose of capital expenditures to improve the Sewer System. The three loans were authorized in the total aggregate principal amount of \$45,023,890. As of April 1, 2018, loan advances in the amount of \$38,809,412 have been received with additional requests pending. The loan agreements include an interest rate of less than 3.2%.

State Revolving Loans

<u>Date of Issue</u>	<u>Original Amount</u>	<u>Purpose</u>	<u>Final Maturity</u>	<u>Est. Principal Outstanding As of 4-1-18*</u>
1-13-97	\$12,302,590	State Revolving Loan	9-1-2018\$	383,316
9-24-03	12,831,300	State Revolving Loan	9-1-2024	4,456,134
9-23-13	19,890,000	State Revolving Loan	3-1-2035	<u>17,550,955</u>
Total				\$22,390,405

* Based on actual draw downs on these loans.

In 1997, the Unified Government entered into a loan agreement with the Kansas Department of Health and Environment to borrow up to \$12,302,590 on a low-interest loan with a 20-year repayment period to finance improvements to the wastewater system. In 2005, the Unified Government completed the draw-down process and had drawn down a total of \$12,284,149.

In 2003, the Unified Government entered into a loan agreement with the Kansas Department of Health and Environment to borrow up to \$12,831,300 on a low-interest loan with a 20-year repayment period to finance improvements to the wastewater system. This loan has since been amended to allow the Unified Government to receive low interest funding from the ARRA Loan Assistance Program for an additional \$400,000 to finance improvements for the Middle Jersey Creek Sewer Separation project. Draw-downs totaling \$13,060,953 have been made on the loan amount. Therefore, the total principal to be paid is shown to be greater than the principal outstanding.

In 2013, the Unified Government entered into a loan agreement with the Kansas Department of Health and Environment to borrow up to \$19,890,000 on a low-interest loan with a 20-year repayment period to finance improvements to the wastewater system. Draw-downs totaling \$13,464,310 have been made on the loan amount. Therefore, the total principal to be paid is shown to be greater than the principal outstanding.

Leases with Public Building Commission of the Unified Government

The Unified Government entered into lease purchase agreements with the Public Building Commission of the Unified Government of Wyandotte County/Kansas City, Kansas, for the purposes of financing improvements to buildings used by the Unified Government (the “Leases”). Pursuant to state law, the obligations of the Unified Government for rentals payable under the Leases for their entire term are specifically exempted from the provisions of the Kansas cash-basis and budget laws and are *not* subject to annual appropriation, early cancellation or termination. The Unified Government (acting in its capacity as a county) may levy taxes to pay rentals under the Leases, however, the Unified Government’s obligation to levy ad valorem taxes to make rental payments under the Leases is subject to the Tax Lid applicable to cities and counties in Kansas. See “APPENDIX I – FINANCIAL INFORMATION – Budgeting, Accounting, and Auditing Procedures” herein.

<u>Date of Lease</u>	<u>Original Amount</u>	<u>Purpose</u>	<u>Termination Date</u>	<u>Est. Principal Outstanding As of 4-1-18</u>
3-1-13	\$ 9,915,000	Emergency Communication (2013-A)	8-1-2028	\$ 7,700,000
12-29-15	780,000	Amphitheater (2015-A)	8-1-2025	635,000
2-25-16	6,775,000	BPU Office Building (2016-A)	11-1-2020	4,120,000
2-25-16	1,830,000	UG Medical Clinic (2016-B)	8-1-2026	1,660,000
3-15-18	24,430,000	Juvenile Justice Facility (2018-A)	8-1-2038	24,430,000
3-15-18	8,710,000	Courthouse & Adult Jail Facility (2018-B)	8-1-2038	<u>8,710,000</u>
Total				\$47,255,000

Annual Appropriation Bonds

<u>Date of Issue</u>	<u>Original Amount</u>	<u>Purpose</u>	<u>Final Maturity</u>	<u>Est. Principal Outstanding As of 4-1-18</u>
12-28-10	\$7,725,000	Redevelopment (2010-H)	12-1-2031	\$ 6,075,000

The Special Obligation Annual Appropriation Bonds (Recovery Zone Facility Bonds – Parking Projects), Series 2010-H (the “2010-H Bonds”) were issued in connection with the Redevelopment Project Area B consisting of the Kansas Speedway Corporation Project and the Sporting Kansas City Stadium. The 2010-H Bonds were used to finance the cost of constructing and equipping surface parking lots with approximately 2,000 spaces on certain property owned by Kansas Speedway Corporation; such surface parking lots to be used by Kansas Speedway Corporation and Kansas Unified Development, LLC or assigns, all for economic development purposes. The Unified Government has provided an annual appropriation commitment to pay the 2010-H Bonds.

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TDD Sales Tax Revenue Bonds*

<u>Date of Issue</u>	<u>Original Amount</u>	<u>Purpose</u>	<u>Final Maturity</u>	<u>Est. Principal Outstanding As of 4-1-18</u>
10-11-06	\$17,520,000	Legends	10-1-2028	\$11,175,000
2-15-06	2,415,000	NFM/Cabela's	12-1-2027	405,000
1-31-13	9,975,000	Plaza at Speedway	3-1-2032	7,905,000
5-29-14	317,000	Happy Foods	6-1-2024	166,000
5-29-14	1,459,000	Prescott Plaza Redevelopment	6-1-2024	657,000
Total				\$20,308,000

* These issues are special limited obligations of the Unified Government, payable solely from revenues generated within the transportation development districts, consisting of a sales tax not to exceed 1%. These issues do not constitute a pledge of the full faith and credit of the Unified Government. However, the Prescott Plaza Redevelopment bonds do have an annual appropriation pledge.

Special Obligation Revenue Bonds

Special Obligation Tax Increment Financing Revenue Bonds

39th and Rainbow - Special obligation revenue bonds payable solely from Incremental Tax Revenues, defined in the Bond Trust Indenture as certain Property Tax Revenues and Sales and Transient Guest Tax Revenues. Property Tax Revenues include certain real property taxes attributable to the increase in the current assessed valuation of the real property from Redevelopment Project Area 1 within the Redevelopment District. Sales Tax Revenues are defined as revenue from the following year over and above the Base Sales Tax Revenue representing (i) 88.55% of the revenue received by the Unified Government from the City of Kansas City, Kansas (the "City") 1% general sales tax within Project Area 1 plus, (ii) 88.55% of the revenue received by the Unified Government from Wyandotte County (the "County") 1% general sales tax within Project Area 1.

Plaza at Speedway - Special obligation revenue bonds payable solely from the tax increment that includes 10 years of property tax increment plus 85% of the 1.25% City sales tax increment and the City share of the County sales tax. The sales tax pledge increases to 94.5% in 2018. Excess revenues are split 50% for bond redemption and the remaining revenues allocated to the City.

Wyandotte Plaza - Special obligation revenue bonds payable solely from Revenues, defined in the Bond Trust Indenture as certain Sales Tax Revenues, NRA Revenues and CID Tax Revenues. NRA Revenues include 95.0% of certain real property taxes attributable to the increase in the current assessed valuation of the real property within the Project Area for those taxing jurisdictions participating in the Neighborhood Revitalization Act of the Unified Government. Sales Tax Revenues are defined as revenue generated from taxable retail sales within the Project Area that are received by the Unified Government from taxable sales in excess of the base from the portion of the city retail sales taxes, consisting of the 1.00% general sales tax and a portion equivalent to the 0.25% emergency medical services sales tax to be taken out of the general fund, and the Unified Government's share of the 1.00% countywide retail sales tax. The CID Sales Tax means the CID Sales Tax of 1.0% levied within the District.

<u>Date of Issue</u>	<u>Original Amount</u>	<u>Purpose</u>	<u>Final Maturity</u>	<u>Est. Principal Outstanding As of 4-1-18</u>
10-5-12	\$ 6,445,000	39 th & Rainbow (2012)	3-9-2027	\$ 5,095,000
1-31-13	33,550,000	Plaza at Speedway (2013)	3-1-2027	22,275,000
2-11-16	14,550,000	Wyandotte Plaza (2016)	6-1-2027	13,980,000
3-15-16	2,615,000	39 th & Rainbow (2016A) Fixed	4-1-2020	2,403,000
3-15-16	1,578,000	39 th & Rainbow (2016B) Variable	4-1-2020	1,298,000
Total				\$45,051,000

Tourism District Bonds

The Unified Government has outstanding six series of special obligation revenue bonds in connection with the Kansas International Speedway Corporation Project, the development of the Unified Government's tourism district (Village West and Vacation Village) and the Sporting Kansas City Stadium, both of which are located adjacent to the Speedway.

Serial Bonds

<u>Date of Issue</u>	<u>Original Amount</u>	<u>Purpose</u>	<u>Final Maturity</u>	<u>Est. Principal Outstanding As of 4-1-18</u>
1-15-99	\$71,340,000	Taxable (1999)	12-1-2027	\$ 49,705,000
11-19-14	10,885,000	Sales Tax Refunding (2014) ^(a)	12-1-2027	9,495,000
10-13-15	72,900,000	Vacation Village (2015A)	9-1-2031	67,000,000
10-13-15	12,260,000	Vacation Village (2015B)	9-1-2035	<u>12,260,000</u>
Total				\$138,460,000

^(a) This issue is paid from an annual appropriation of Out of Development District Local Sales Tax Revenues.

<u>Date of Issue</u>	<u>Original Amount</u>	<u>Purpose</u>	<u>Final Maturity</u>	<u>Accreted Value As of 12-1-17*</u>	<u>Value at Maturity</u>
1-22-99	\$24,400,413	Sales Tax (1999)	12-1-2027	\$12,455,633.84	\$19,300,000.00

The first Speedway Project obligation is the Taxable Special Obligation Revenue Bonds, Series 1999 (the "1999 Taxable Bonds"), payable from certain payments in amounts equal to the debt service on the 1999 Taxable Bonds to be made by Kansas International Speedway Corporation ("Corporation") under a Financing Agreement with the Unified Government. The obligation of the Corporation to make the debt service payments is secured by a mortgage on the project site. In addition, the Unified Government has provided an annual appropriation commitment from local sales taxes to pay the 1999 Taxable Bonds.

The second Speedway Project obligation is the Sales Tax Special Obligation Revenue Bonds, Series 1999 (the "1999 Sales Tax Bonds"), payable from the state and local sales tax to be generated within the redevelopment district by the Speedway Project. In addition, the Unified Government has provided an annual appropriation commitment from local sales taxes to pay the 1999 Sales Tax Bonds. The current interest portion of the 1999 Sales Tax Bonds have been refunded by the Unified Government's Sales Tax Special Obligation Revenue Refunding Bonds, Series 2014.

In September 2015 the Unified Government sold two series of STAR bonds related to improvements within the Vacation Village Redevelopment District, which development consists primarily of a waterpark project and an auto plaza:

- \$72,900,000 Sales Tax Special Obligation Revenue Bonds (Vacation Village Project Areas 1 and 2A), Series 2015A for the purpose of reimbursing the Developer for a portion of the cost of land acquisition in the STAR Bond District. This issue is secured by and payable solely from Incremental Tax Revenues (as defined in the Indenture) generated in the Waterpark Project located in Project Area 1 and the portion of the Auto Plaza Project located in Project Area 2A.
- \$12,260,000 Sales Tax Special Obligation Revenue Bonds (Vacation Village Project Areas 1 and 2A) Subordinate Lien Series 2015B for the purpose of refunding prior Bonds issued by the Unified Government that financed street improvements in the STAR Bond District and fund other site improvements within Project Area 2A related to the Auto Park. This issue is secured by and payable solely on a subordinate basis to the Sales Tax Special Obligation Revenue Bonds (Vacation

Village Project Areas 1 and 2A), Series 2015A Bonds, from Incremental Tax Revenues (as defined in the Indenture) generated in the Waterpark Project located in Project Area 1 and the portion of the Auto Plaza Project located in Project Area 2A, and certain local sales and compensating use tax revenues and local transient guest tax revenues generated outside the STAR Bond District, to the extent appropriated by the Unified Government Commission for such purposes, and other moneys held by the Trustee pursuant to the Indenture.

Turbo Bonds

<u>Date of Issue</u>	<u>Original Amount</u>	<u>Purpose</u>	<u>Final Maturity</u>	<u>Accreted Value As of 3-1-18**</u>	<u>Value at Maturity</u>
8-26-15	\$65,229,560	Sales Tax (2015)	9-1-2034	\$76,146,829.05	\$227,705,000

**As of March 1, 2018, the Unified Government has made payments totaling \$155,923,454.81 of accreted value which is reflected in the above schedule.*

***As of March 1, 2018, the Unified Government has made payments totaling \$929,659.80 of accreted value which is reflected in the above schedule.*

The \$65,229,560 Sales Tax Special Obligation Capital Appreciation Revenue Bonds (Vacation Village Project Area 4 - Major Multi-Sport Athletic Complex Project), Series 2015 (the "Series 2015 Turbo CABs") were issued to finance certain costs of the U.S. Soccer National Training Facility, a major multi-sport athletic complex, which includes: (1) an indoor and outdoor coaching and training and practice facility for multiple sports, including without limitation, soccer, football, lacrosse, and rugby, which facility shall be utilized for the U.S. Men's and Women's National Soccer Teams and other international teams (the "National Training Center"), (2) a tournament soccer fields complex (the "Tournament Fields") and (3) certain other costs permitted under the STAR Bond Act. The Series 2015 Turbo CABs are STAR Bonds. The Series 2015 Turbo CABs are payable from the Incremental Issuer Tax Revenues and Incremental State Tax Revenues (collectively, the "Incremental Tax Revenues," as defined in the Tax Distribution Agreement) generated with respect to retail sales within Project Area 4 within the Village West Redevelopment Area and distributed by the State Treasurer on or before August 31, 2034. Sales tax revenues generated within the Village West Redevelopment Area are pledged to secure and will be applied solely to the payment of the Outstanding Village West STAR Bonds that have a total outstanding principal amount (or, in the case of capital appreciation bonds, Accreted Value as of September 1, 2017) of \$74,561,545.19. There are not expected to be any Incremental Tax Revenues available to pay the Series 2015 Turbo CABs until the date of payment in full of the Outstanding Village West STAR Bonds.

Capital Leases

The Unified Government has entered into various lease agreements for the purchase of radio equipment, police and fire equipment and vehicles, and computer equipment. Principal and interest payments outstanding as of April 1, 2018 totaled \$10,595,307. Future minimum lease payments are shown below:

<u>Year Ending December 31</u>	
2018-2019	\$ 4,992,184
2020-2026	<u>5,603,123</u>
Total Minimum Lease Payments	\$10,595,307
Less: Interest	<u>(728,561)</u>
Present Value of Net Minimum Lease Payments	\$9,866,746

**Estimated Calendar Year Debt Service Payments Including the Bonds and the PBC Bonds
and Excluding All Temporary Notes**

<u>Year</u>	<u>General Obligation Bonds City of Kansas City</u>		<u>General Obligation Bonds Wyandotte County</u>	
	<u>Principal</u>	<u>Principal & Interest</u>	<u>Principal</u>	<u>Principal & Interest</u>
2018 (at 4-1)	\$ 18,840,000	\$ 25,660,021	\$ 930,000	\$ 1,126,769
2019	20,665,000	33,543,295	1,065,000	1,447,600
2020	20,265,000	32,304,763	1,090,000	1,448,900
2021	20,715,000	31,842,840	1,105,000	1,439,600
2022	21,470,000	31,771,381	1,135,000	1,438,600
2023	21,845,000	31,224,549	1,165,000	1,436,700
2024	21,270,000	29,703,853	1,210,000	1,445,350
2025	22,040,000	29,530,415	1,250,000	1,447,550
2026	22,550,000	29,049,394	1,280,000	1,438,500
2027	24,520,000	30,058,850	1,325,000	1,445,100
2028	20,915,000	25,420,040	1,365,000	1,444,406
2029	20,535,000	24,164,958	1,115,000	1,151,506
2030	19,510,000	22,290,530		
2031	10,935,000	12,885,188		
2032	9,765,000	11,307,714		
2033	9,025,000	10,255,490		
2034	8,140,000	9,076,783		
2035	7,265,000	7,914,841		
2036	5,740,000	6,155,166		
2037	4,075,000	4,301,063		
2038	<u>2,370,000</u>	<u>2,452,950</u>		
Total	\$332,455,000 ^(a)	\$440,914,084	\$14,035,000 ^(b)	\$16,710,581

^(a) 64.4% of this debt will mature within ten years.

^(b) 84.5% of this debt will mature within ten years.

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**Estimated Calendar Year Debt Service Payments Including the Bonds and the PBC Bonds
and Excluding All Temporary Notes (Continued)**

<u>Year</u>	<u>State Revolving Loans</u>		<u>Public Building Commission</u>	
	<u>Principal</u>	<u>Principal & Interest</u>	<u>Principal</u>	<u>Principal & Interest</u>
2018 (at 4-1)	\$ 1,106,693	\$ 1,416,692	\$ 2,190,000	\$ 2,886,919
2019	1,477,049	2,001,466	3,335,000	4,925,459
2020	1,518,384	2,005,184	3,430,000	4,920,809
2021	1,560,875	2,009,006	2,100,000	3,494,621
2022	1,604,557	2,012,936	2,185,000	3,501,096
2023	1,649,461	2,016,975	2,265,000	3,498,786
2024	1,695,622	2,021,127	2,345,000	3,485,916
2025	982,360	1,269,553	2,445,000	3,492,641
2026	1,009,461	1,272,026	2,445,000	3,398,806
2027	1,037,310	1,274,566	2,340,000	3,194,806
2028	1,065,927	1,277,178	2,435,000	3,196,706
2029	1,095,333	1,279,861	1,705,000	2,369,556
2030	1,125,551	1,282,618	1,755,000	2,368,406
2031	1,156,602	1,285,451	1,810,000	2,368,563
2032	1,188,510	1,288,362	1,865,000	2,364,738
2033	1,221,299	1,291,354	1,930,000	2,369,125
2034	1,254,991	1,294,428	1,990,000	2,363,988
2035	640,420	648,393	2,060,000	2,366,825
2036			2,135,000	2,369,725
2037			2,210,000	2,370,000
2038			2,280,000	2,362,650
Total	\$22,390,405 ^(a)	\$26,947,176	\$47,255,000 ^(b)	\$63,670,141

^(a) 60.9% of this debt will mature within ten years.

^(b) 53.1% of this debt will mature within ten years.

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**Estimated Calendar Year Debt Service Payments Including the Bonds and the PBC Bonds
and Excluding All Temporary Notes (Continued)**

<u>Year</u>	<u>Annual Appropriation Bonds</u>		<u>TDD Sales Tax Revenue Bonds</u>	
	<u>Principal</u>	<u>Principal & Interest</u>	<u>Principal</u>	<u>Principal & Interest</u>
2018 (at 4-1)	\$ 305,000	\$ 640,850	\$ 295,000	\$ 842,089
2019	320,000	643,650	950,000	1,979,786
2020	330,000	639,250	1,245,000	2,225,674
2021	345,000	639,400	1,355,000	2,271,830
2022	365,000	639,563	1,620,000	2,467,318
2023	385,000	638,575	1,750,000	2,514,386
2024	410,000	641,438	2,608,000	3,269,159
2025	435,000	642,863	1,835,000	2,390,987
2026	460,000	642,850	1,970,000	2,431,719
2027	485,000	641,400	2,120,000	2,480,519
2028	515,000	643,513	1,905,000	2,156,569
2029	540,000	638,900	745,000	897,662
2030	575,000	642,850	800,000	909,825
2031	605,000	639,788	860,000	923,825
2032			250,000	257,187
Total	\$6,075,000 ^(a)	\$8,974,890	\$20,308,000 ^(b)	\$28,018,535

<u>Year</u>	<u>Special Obligation Tax Increment Financing Revenue Bonds</u>		<u>Special Obligation Tourism District Bonds</u>	
	<u>Principal</u>	<u>Principal & Interest</u>	<u>Principal</u>	<u>Principal & Interest</u>
2018 (at 4-1)	\$ 2,614,000	\$ 4,002,286	\$ 4,340,000	\$ 10,395,713
2019	3,379,000	5,370,646	5,800,000	13,805,738
2020	2,647,000	4,471,267	6,895,000	14,548,325
2021	2,830,000	4,525,813	7,805,000	15,049,625
2022	3,018,000	4,576,142	8,665,000	15,450,113
2023	3,188,000	4,599,141	9,520,000	15,797,763
2024	3,021,000	4,277,450	10,445,000	16,164,250
2025	3,156,000	4,267,490	11,430,000	16,535,513
2026	3,295,000	4,254,331	12,475,000	16,908,825
2027	3,035,000	3,778,111	12,115,000	15,810,813
2028	6,327,000	6,992,666	5,180,000	8,128,925
2029	358,000	772,916	4,925,000	7,600,876
2030	183,000	586,020	5,365,000	7,763,662
2031	-0-	400,000	5,830,000	7,926,101
2032	-0-	400,000	6,330,000	8,097,094
2033	-0-	400,000	6,860,000	8,259,188
2034	8,000,000	8,400,000	7,445,000	8,438,225
2035			7,035,000	12,032,325
Total	\$45,051,000 ^(c)	\$62,074,279	\$138,460,000 ^(d)	\$218,713,074

^(a) 63.2% of this debt will mature within ten years.

^(b) 77.6% of this debt will mature within ten years.

^(c) 67.0% of this debt will mature within ten years.

^(d) 64.6% of this debt will mature within ten years.

**Estimated Calendar Year Debt Service Payments Including the Bonds and the PBC Bonds
and Excluding All Temporary Notes (Continued)**

<u>Year</u>	<u>Special Obligation Turbo Bonds</u>	
	<u>Principal</u>	<u>Accreted Value</u>
2018 (at 4-1)	-0-	-0-
2019	-0-	-0-
2020	2,431,500.00	3,665,000.00
2021	-0-	-0-
2022	-0-	-0-
2023	-0-	-0-
2024	-0-	-0-
2025	-0-	-0-
2026	-0-	-0-
2027	3,504,273.00	15,635,000.00
2028	-0-	-0-
2029	-0-	-0-
2030	-0-	-0-
2031	-0-	-0-
2032	-0-	-0-
2033	-0-	-0-
2034	<u>\$65,229,559.85</u>	<u>\$230,485,000.00</u>
Total	\$77,685,223.69	249,785,000.00

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Board of Public Utilities Revenue Bonds

The Unified Government, as authorized by state statutes, reserves the right to incur debt on behalf of the Board of Public Utilities (“BPU”). Bonds issued for capital improvements to the Unified Government’s utility system are payable only from revenues received from the sale of water and electricity by the utility and do not constitute a general obligation of the Unified Government, and no taxes may be levied by the Unified Government to pay principal of or interest on such bonds.

On December 10, 2012, the BPU entered into a Memorandum of Understanding (the “MOU”) with the Unified Government related to an emergency communications radio upgrade undertaken by the Unified Government. The emergency communications radio system is also used by the BPU. The MOU provides that the BPU will pay to the Unified Government annually an amount equal to approximately 13% of the debt service payments on the Unified Government’s General Obligation Bonds, Series 2014-C and Series 2015-C, and approximately 23% of the Public Building Commission Revenue Bonds, Series 2013-A. These amounts represent debt service associated with certain common costs of the system and the BPU’s share of subscriber units.

Parity Debt

<u>Date of Issue</u>	<u>Original Amount</u>	<u>Purpose</u>	<u>Final Maturity</u>	<u>Est. Principal Outstanding As of 2-27-18</u>
2-5-09	\$ 57,575,000	Utility System Improvement (2009-A)	9-1-2019	\$ 3,640,000
2-4-10	32,190,000	Utility System Improvement (2010-A)	9-1-2028	13,370,000
5-19-11	90,000,000	Utility System Refunding (2011-A)	9-1-2036	78,445,000
9-6-12	110,830,000	Utility System Refunding (2012-A)	9-1-2032	105,045,000
12-17-12	79,540,000	Utility System Refunding (2012-B)	9-1-2037	70,675,000
6-24-14	190,620,000	Utility System Imp and Refunding (2014-A)	9-1-2044	172,020,000
2-11-16	114,165,000	Utility System Improvement (2016-A)	9-1-2045	114,165,000
12-8-16	42,545,000	Utility System Refunding (2016-B)	9-1-2034	42,545,000
12-8-16	56,265,000	Utility System Improvement (2016-C)	9-1-2046	<u>56,265,000</u>
Total				\$656,170,000

Subordinate Debt

<u>Date of Issue</u>	<u>Original Amount</u>	<u>Purpose</u>	<u>Final Maturity</u>	<u>Est. Principal Outstanding As of 2-27-18</u>
1-31-03	\$12,308,750	KDHE (2003)	8-1-2024	\$ 4,894,605
3-28-03	5,467,500	KDHE (2003)	8-1-2024	2,048,891
1-7-05	9,000,000	KDHE (2005)	2-1-2027	4,829,687
3-7-12	12,230,500	KDHE (2012)	8-1-2033	9,892,383
6-1-14	13,000,000	KDHE (2014)	8-1-2035	11,980,934
8-1-14	266,750	Oracle Hyperion Budgeting Lease (2014)	5-1-2018	54,304
6-1-15	2,727,127	Oracle Fusion Implementation Lease	12-1-2018	<u>949,195</u>
Total				\$34,649,999

Estimated Calendar Year Debt Service Payments

Year	Parity Debt		Subordinate Debt	
	<u>Principal</u>	<u>Principal & Interest</u>	<u>Principal</u>	<u>Principal & Interest</u>
2018 (at 2-27)	\$ 19,390,000	\$ 50,869,794	\$ 2,238,598	\$ 2,692,105
2019	22,515,000	53,184,619	2,530,099	3,339,967
2020	23,295,000	52,888,269	2,612,222	3,348,893
2021	24,400,000	52,880,069	2,697,136	3,358,110
2022	27,725,000	55,036,156	2,784,941	3,367,626
2023	28,805,000	54,737,106	2,875,738	3,377,452
2024	23,835,000	48,334,319	2,969,634	3,387,599
2025	25,755,000	49,096,950	1,834,997	2,177,175
2026	27,035,000	49,094,775	1,886,864	2,183,642
2027	28,635,000	49,405,100	1,623,743	1,873,779
2028	30,320,000	49,721,500	1,345,001	1,562,433
2029	32,080,000	50,029,950	1,377,966	1,567,169
2030	33,515,000	50,023,413	1,411,744	1,572,022
2031	30,275,000	45,200,375	1,446,353	1,576,993
2032	31,765,000	45,200,563	1,481,815	1,582,086
2033	26,565,000	38,446,988	1,518,150	1,587,304
2034	27,790,000	38,445,013	790,418	831,339
2035	21,850,000	31,209,013	811,103	834,123
2036	22,900,000	31,222,988	413,477	418,128
2037	18,940,000	26,177,013		
2038	13,965,000	20,316,663		
2039	14,625,000	20,321,163		
2040	15,310,000	20,319,500		
2041	16,070,000	20,314,000		
2042	16,880,000	20,320,500		
2043	17,715,000	20,311,500		
2044	18,610,000	20,320,750		
2045	11,630,000	12,410,250		
2046	3,975,000	4,173,750		
Total	\$656,170,000 ^(a)	\$1,080,012,049	\$34,649,999 ^(b)	\$40,637,945

^(a) 38.3% of this debt will mature within ten years.

^(b) 69.4% of this debt will mature within ten years.

Overlapping Debt

Four school districts are located completely within the territorial limits of the Unified Government, as is the Kansas City, Kansas Community College.

A schedule of outstanding overlapping debt as of April 1, 2018 is as follows:

<u>Jurisdiction</u>	<u>County</u>	<u>City</u>
Kansas City, Kansas Community College	\$ 29,568,000	\$ 26,508,749
U.S.D. No. 500	268,015,000	267,973,904
U.S.D. No. 202	27,280,000	27,237,559
U.S.D. No. 203	23,940,000	23,940,000
U.S.D. No. 204	54,585,368	17,314,479
City of Bonner Springs	13,025,073	0
City of Edwardsville	6,795,000	0
Total	\$423,208,441	\$362,974,691

Debt Ratios

	<u>Wyandotte County</u>	<u>Kansas City</u>
Estimated Actual Valuation ^(a)	\$8,318,776,137	\$7,428,935,780
Equalized Assessed Tangible Valuation ^(b)	\$1,348,736,878	\$1,207,384,345
Population (2016 U.S. Census Estimate)	165,288	151,709
Outstanding General Obligation Indebtedness (as of February 27, 2018)		
General Obligation Bonds	\$14,035,000	\$332,455,000
General Obligation Notes	0	65,020,000
Less: Debt Service Funds on Hand as of April 1, 2018	<u>\$ (2,969,960)</u>	<u>\$ (13,980,983)</u>
Net Outstanding General Obligation Indebtedness	\$11,065,040	\$383,494,017
Ratio of Net General Obligation Debt to Estimated Actual Valuations	0.13%	5.16%
Ratio of Net General Obligation Debt to Equalized Assessed Tangible Valuation	0.82%	31.76%
Net General Obligation Debt per Capita	\$67	\$2,528
Overlapping Indebtedness ^(c)	\$423,208,441	\$362,974,691
Direct and Overlapping Indebtedness	\$434,273,481	\$746,468,708
Ratio of Direct and Overlapping Indebtedness to Estimated Actual Valuation	5.22%	10.05%
Ratio of Direct and Overlapping Indebtedness to Equalized Assessed Tangible Valuation	32.20%	61.83%
Direct and Overlapping Indebtedness per Capita	\$2,627	\$4,920
Overlapping Indebtedness per Capita	\$2,560	\$2,393

^(a) For a further description of how estimated actual valuation is calculated, see “Appendix III – Summary of Property Valuation, Tax Levies, Payment provisions and the Cash-Basis Law” in the Official Statement for the Series 2018-A Bonds.

^(b) Includes real property, personal property, and state assessed utility valuations and excludes valuations for motor vehicles.

^(c) For a more detailed explanation of the overlapping indebtedness of other jurisdictions, see “UNIFIED GOVERNMENT INDEBTEDNESS – Overlapping Debt” herein.

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UNIFIED GOVERNMENT TAX RATES, LEVIES AND COLLECTIONS

Property Tax Levies and Collections

In accordance with governing state statutes, property taxes levied during the current year are revenues to be used to finance the budget of the ensuing year. Taxes are assessed on a calendar year basis and are levied and become a lien on the property on November 1 of each year. The County Treasurer is the tax collection agent for all taxing entities within the County. Property owners have the option of paying one-half of the full amount of the taxes levied on or before December 20 during the year levied with the balance to be paid on or before May 10 of the ensuing year. State statutes prohibit the County Treasurer from distributing taxes collected in the year levied prior to January 1 of the ensuing year. Consequently, for revenue recognition purposes, the taxes levied during the current year are not due and receivable until the ensuing year. At December 31, such taxes are a lien on the property and are recorded as taxes receivable, net of anticipated delinquencies, with a corresponding amount recorded as deferred revenue. It is not practicable to apportion delinquent taxes held by the County Treasurer at the end of the year and the amounts thereof are not material in relationship to the financial statements taken as a whole.

Budget Year	Mill Rates							Unified Gov't Total
	County General Fund	County Bond & Interest	County Other	County Total	City General Fund	City Bond & Interest	City Total	
2018	31.082	2.195	5.603	38.880	23.167	16.836	40.003	78.883
2017	31.029	2.191	5.593	38.813	25.093	16.782	41.875	80.688
2016	31.029	2.191	5.593	38.813	27.093	16.782	43.875	82.688
2015	31.271	1.672	5.545	38.488	26.845	16.628	43.473	81.961
2014	30.162	0.798	5.548	36.508	28.359	17.136	45.495	82.003

Tax Levies and Collections

Unified Government of Wyandotte County/Kansas City, Kansas Statement of Ad Valorem Taxes Levied And Collected for the Last Five Budget Years

Budget Year	Amount Levied	Amount Collected	Delinquent Taxes Collected	Total Collections	Percent of Total to Current Levy
2017	\$92,784,037	\$86,574,111	\$4,013,314	\$90,587,425	97.63%
2016	91,386,030	85,097,921	3,853,124	88,951,045	97.34
2015	87,171,813	82,087,300	4,472,811	86,560,111	99.30
2014	86,904,704	81,396,447	5,424,778*	86,821,225	99.90
2013	84,887,748	80,208,596	5,387,418	85,596,014	100.83

* Includes \$433,291 of revenue from terminated TIF districts.

FUNDS ON HAND
As of April 1, 2018

General Fund	\$ 55,436,523
Special Revenue Funds	41,246,054
Debt Service Fund	16,950,943
Capital Projects Fund	194,222,316
Enterprise Funds	36,686,937
Internal Service Funds	(1,483,512)*
Trust and Agency Funds	<u>9,334,023</u>
 Total	 \$352,393,284

* *The negative balance in this fund is attributable to the Self-Insured Employee Health Benefit Fund which had a negative cash position of \$2.3 million at the end of 2016 per the CAFR. The 2017 and 2018 budgets authorized 14% increases each year in order to generate sufficient revenues to repair the negative cash position and have implemented a variety of health plan design changes in an effort to reduce health care claims costs.*

INVESTMENTS

The Unified Government is authorized by Kansas laws to invest in bank savings investments, repurchase agreements, U.S. Treasury and U.S. Agency obligations, and the Kansas Municipal Investment Pool with maturities up to four years. The Unified Government's investments as of March 26, 2018 totaled \$253,526,000.00 and are held in various repurchase agreements totaling \$93,066,000.00 with interest rates of 1.57%; certificates of deposit totaling \$151,470,000.00 with interest ranging from 1.09% to 2.65%; maturing no later than March 28 2022 and United States Treasury Bills and Agency Debentures totaling \$8,990,000.00 with interest ranging 1.18% to 1.64%; maturing no later than August 2021.

GENERAL INFORMATION CONCERNING THE UNIFIED GOVERNMENT

Population

The population trend for the City of Kansas City, Kansas is shown below.

	<u>Population</u>	<u>Percent Change</u>
2016 U.S. Census Estimate	151,709	4.1%
2010 U.S. Census	145,786	(0.7)
2000 U.S. Census	146,866	(3.1)
1990 U.S. Census	151,521	(6.0)
1980 U.S. Census	161,148	--

Source: United States Census Bureau, <http://www.census.gov/>.

The population trend for Wyandotte County is shown below.

	<u>Population</u>	<u>Percent Change</u>
2017 U.S. Census Estimate	165,288	4.9%
2010 U.S. Census	157,505	(0.2)
2000 U.S. Census	157,882	(2.6)
1990 U.S. Census	162,026	(6.0)
1980 U.S. Census	172,335	--

Source: United States Census Bureau, <http://www.census.gov/>.

The population by age group for Wyandotte County is shown below.

<u>Population by Age – Wyandotte County</u>						
<u>Year</u>	<u>Median Age</u>	<u>0-17</u>	<u>18-24</u>	<u>25-44</u>	<u>45-64</u>	<u>65+</u>
2016	33.9	28.3%	9.0%	27.2%	23.4%	12.1%
2010	32.8	28.2	9.6	27.7	23.8	10.7
2000	32.5	28.5	10.4	29.5	19.9	11.7
1990	31.6	28.4	9.8	31.0	17.7	13.0

Sources: U.S. Census Bureau, <http://www.census.gov> (1990, 2000, and 2010 data); and Environics Analytics, Claritas, Inc. and The Nielsen Company (2016 data).

Transportation

The Kansas City region has an extensive transportation system consisting of air, rail, highway, and river port facilities located in the center of the continental United States both geographically and in terms of population distribution.

Highway Transportation System. The region has the presence of a large number of major federal and state highways. A total of 12 major highways crisscross the area encompassing the Unified Government. Of this total, five highways, I-35, I-70, I-435, I-635, and I-670, are National Interstate Highways; five, U.S. 24, U.S. 40, U.S. 69, U.S. 73, and U.S. 169, are major U.S. Highways; and two, 5 and 32, are major State Highways. The Kansas Turnpike and its interface with I-70 and I-35 channels a great deal of east-west and north-south transcontinental traffic.

Airport Facilities. Kansas City International Airport (KCI) is located less than 20 miles from the Unified Government's central business district via interstate highways. In 2016, KCI served 11 million passengers with 11 carriers. In 2016, flights into KCI handled 210.5 million pounds of cargo (freight and mail). Kansas City's central location brings even the farthest cities in the continental U.S. to within four hours flight time. Area travelers can fly to most major U.S. cities, conduct their business, and return home the same day. Because KCI is located on 10,680 acres in a suburban setting, there is ample room for expansion and there are no noise restrictions or limited hours of operation. KCI has three runways, including two north/south runways which allow simultaneous operations, reducing potential delays. In 2017, Kansas City voters approved a new single-terminal design to be built by Edgemoor Infrastructure & Real Estate over the following 3-4 years. A new airport would be built over the current A Terminal, with flights continuing in terminals B and C during the construction. Currently, KCI has 250,000 square feet in air cargo handling facilities, with 1,200,000 square feet of air cargo ramp. The seven major air freight carriers and the U.S. Postal Service enjoy the access and central U.S. location of the airport. Kansas City Downtown Airport is located just across the Missouri River from downtown Kansas City, Kansas. The airport offers full-service, fixed base operators that serve based and itinerant business aircraft; charters, rentals, and flight training; and commuter airlines. There are several other general aviation facilities in the metropolitan area.

Railroad Facilities. The region is one of the nation's largest rail centers and is an important hub of the transcontinental rail system, providing both freight and passenger service. All major cities of the United States can be reached in less than 120 hours and many within 72 hours. The Unified Government is served by seven railroads, providing approximately 92 freight movements a day. A direct carrier rail service to the Unified Government's Foreign Trade Zone provides efficient loading and unloading of goods destined for import or export markets. In 2013, \$26 million in various railroad related projects were undertaken which will help sustain this important infrastructure in Kansas City, Kansas.

Barge Facilities. The Unified Government is located on the Missouri River, which has a nine-foot channel allowing 1,200-ton barges to move directly to the City of New Orleans, Louisiana and all interim ports. Shipment of Midwestern wheat, corn, and soybeans via the inland waterway and the Port of Kansas City provide an economical and efficient means of transportation. Containerized shipping is a major part of the area's expanding water commerce, and present barge activity through the Port of Kansas City is substantial. The Port of Kansas City has direct connections to rail facilities and three interstate highways. Local warehouse facilities and outside storage space are available for dry bulk storage and merchandise storage, and the Port of Kansas City has modern loading and unloading equipment to handle most types of cargo quickly and efficiently.

Truck Facilities. A modern network of interstate highways and trucking centers serves the Unified Government. The region's central proximity to national markets and urban centers makes it possible for shipments by truck to reach most of these areas by the third morning after pickup, and most Midwestern markets by the first or second morning.

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Major Employers in the Unified Government

Employment. In the past decade, Wyandotte County employment has become more diversified transforming from a predominately industrial job base to a mix of manufacturing, retail and services. See below a list of major employers in Wyandotte County.

<u>Employer</u>	<u>Product/Service</u>	<u>Approximate Number of Employees</u>
University of Kansas Hospital	Hospital	5,000+
University of Kansas Medical Center	Medical teaching/research center	3,500-4,000
Unified School District #500 (Kansas City)	Public education (K-12)	3,500-4,000
Cerner Corporation	Health Care Technology	2,500-3,499
Burlington Northern Santa Fe Railroad	Railroad	2,500-3,499
Unified Government	Municipal Government	1,000-2,499
General Motors Corporation	Auto manufacturer	1,000-2,499
Providence Medical Center	Hospital	1,000-2,499
Nebraska Furniture Mart	Furniture, electronics, appliances & flooring	1,000-2,499
Associated Wholesale Grocers	Food distributor	1,000-2,499
United Parcel Service	Parcel post	750-999
Kansas City, Kansas Community College	Post-secondary education	750-999
Kansas Speedway ^(a)	Auto raceway	750-999
Unified School District #202 (Turner)	Public education (K-12)	500-749
Wal-mart	Retailer	500-749
Hollywood Casino	Casino	500-749
Kansas City Area Vo Tech	Post-secondary education	500-749
Schlitterbahn ^(b)	Waterpark	500-749
Board of Public Utilities	Public utility (electric, water)	500-749
Bulk Mail Center – U.S. Post Office	Federal agency/delivery	500-749
Kellogg Corp.	Food manufacturing	400-499
FedEx Freight	Parcel post	400-499
Wyandot Inc.	Health Care	400-499
Deffenbaugh Industries	Refuse/Recycling	400-499
Unified School District #204 (Bonner Springs)	Education	300-399
Dairy Farmers of America	Private Dairy Coop	300-399
Liberty Fruit	Food manufacturing	300-399
Overnite Transportation	Freight Transportation	300-399
Fastenal	Industrial Parts Distribution	300-399
Unified School District #203 (Piper)	Public education (K-12)	300-399
Procter & Gamble ^(c)	Manufacturing	300-399
Millard Refrigerated Services	Warehousing	300-399

^(a) The majority of Kansas Speedway employees are temporary staff hired for the race events.

^(b) Includes seasonal/summer staff.

^(c) Procter & Gamble has announced it will close its plant in the City of Kansas City, Kansas in late 2020.

Source: Unified Government Research Division, April 2018.

Labor Force Data

	Annual Average				
	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Labor Force:					
City of Kansas City	68,554	69,337	69,617	69,862	70,690
Wyandotte County	74,828	75,663	75,997	76,263	77,204
State of Kansas	1,485,917	1,491,710	1,489,829	1,485,336	1,487,783
United States	155,389,000	155,922,000	157,130,000	159,187,000	160,320,000
Unemployment Rate:					
City of Kansas City	8.1%	7.0%	6.1%	5.8%	5.2%
Wyandotte County	8.0	6.9	6.1	5.7	5.2
State of Kansas	5.3	4.5	4.2	4.0	3.6
United States	7.4	6.2	5.3	4.9	4.4

Source: Kansas Labor Information Center, <http://www.klic.dol.ks.gov>. 2017 figures are preliminary.

A breakdown of employment by type is described in the following table supplied by the Research and Analysis Section, Division of Staff Services, Kansas Department of Human Resources.

Employment in Wyandotte County

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Total Employment ^(a)	81,214	84,032	83,372	86,390	88,297	90,467
Manufacturing	11,230	10,911	10,940	10,944	10,877	11,516
Agriculture & Mining	73	79	67	73	76	78
Construction	3,361	3,363	3,428	3,733	3,748	4,009
Transportation/Communication/ Public Utilities	7,344	7,490	7,604	7,803	8,125	8,134
Wholesale Trade ^(b)	4,662	4,747	5,428	7,100	5,455	5,416
Retail Trade, including Restaurants	11,537	12,145	12,363	12,365	12,527	12,776
Finance, Insurance and Real Estate	1,813	1,894	1,908	1,902	1,956	2,063
Services ^(b)	25,727	27,555	26,698	27,708	30,572	31,173
Government	15,467	15,848	14,936	14,762	14,961	15,302

^(a) Railroad employees and self-employed individuals are not covered by unemployment insurance and are not included in the above totals.

^(b) Due to a misclassification by the Kansas Department of Labor in 2014, figures for Wholesale Trade and Services were correctly adjusted in 2015.

Source: Kansas Department of Human Resources, <http://www.dol.ks.gov>.

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Retail Sales and Effective Buying Income (EBI)

Wyandotte County

<u>Data Year/ Report Year</u>	<u>Total EBI (\$000)</u>	<u>Median Household EBI</u>	<u>Total Retail Sales (\$000)</u>	<u>Retail Sales Per Household</u>
2016/17	\$2,582,174	\$34,630	N/A	N/A
2015/16	2,469,920	34,398	\$3,343,063	\$55,644
2014/15	2,498,615	34,613	3,394,847	56,884
2013/14	2,295,625	32,581	3,343,575	56,491
2012/13	2,332,398	32,363	2,465,774	41,985

Kansas City, Kansas

<u>Data Year/ Report Year</u>	<u>Total EBI (\$000)</u>	<u>Median Household EBI</u>	<u>Total Retail Sales (\$000)</u>	<u>Retail Sales Per Household</u>
2016/17	\$2,337,539	\$33,776	N/A	N/A
2015/16	2,231,275	33,565	\$2,955,666	\$53,339
2014/15	2,262,353	33,848	3,115,418	56,566
2013/14	2,076,970	31,855	3,022,124	55,304
2012/13	2,108,158	31,491	2,318,039	42,743

The 2016/17 Median Household EBI for the State of Kansas was \$46,930. The 2016/17 Median Household EBI for the United States was \$48,043.

Source: Environics Analytics, Claritas, Inc. and The Nielsen Company.

Retail Sales and Tax Collections

Wyandotte County retail sales for the past five years, are as follows:

<u>Wyandotte County Retail Sales^(a)</u>	
<u>Year</u>	<u>Sales</u>
2017 ⁾	\$2,224,774,635
2016	2,283,631,270
2015	2,208,780,095
2014	1,976,540,808
2013	2,043,743,670
2012	1,989,999,107

^(a) Based on Kansas State Sales Tax Collections.

NOTE: Sales tax rate changes are as follows: July 1, 2013, State of Kansas rate decreased by 0.015%; and July 1, 2015, State of Kansas rate increased by 0.35%.

General Fund/Dedicated Sales and Use Tax Revenues

<u>Year</u>	<u>General Fund Sales Tax</u>	<u>Dedicated Sales Tax</u>	<u>Total</u>
2017	\$54,066,897	\$9,963,932	\$64,030,829
2016	42,238,548	7,994,962	50,233,509
2015	38,308,239	7,541,364	45,849,603
2014	36,067,182	7,049,453	43,116,635
2013	35,430,687	6,760,480	42,191,167
2012	33,550,042	6,241,082	39,791,124

Source: Unified Government of Wyandotte County/Kansas City, Kansas.

Value of New Construction in Kansas City, Kansas

<u>Year</u>	<u>Commercial/ Industrial Number of Permits</u>	<u>Commercial/ Industrial Construction Value</u>	<u>Residential Permits</u>	<u>Residential Number of Units</u>	<u>New Residential Construction Value</u>
2017	183	\$105,724,529	282	306	\$48,210,358
2016	189	232,826,235	230	245	46,806,610
2015	155	85,300,591	144	170	30,719,277
2014	220	206,543,279	174	479	55,031,687
2013	156	163,237,038	153	561	56,736,419
2012	172	234,502,262	129	414	33,515,354
2011	130	158,209,923	59	62	9,062,706
2010	133	253,250,987	130	168	18,031,784
2009	189	58,460,406	101	146	15,735,611
2008	139	104,606,834	140	144	20,840,120

NOTE: Permits issued for the Hollywood Casino project in 2010 totaled \$21,920,000 in construction value and \$106,966,700 in 2011. Total construction value for the casino in 2010 and 2011 was \$128,886,700. Permits issued for the Cerner project totaled \$104,681,501 in 2012 and \$6,208,161 in 2013. Permit issued for an addition to the General Motors paint shop valued at \$80,000,000.

Source: Unified Government Building Inspection Division.

Capital Maintenance and Improvements Program

The City adopted the first multi-year and comprehensive capital budget in August 1984. The current Capital Maintenance and Improvement Program for the period from 2017 to 2022 totals \$403.8 million which includes both cash and debt projects. The plan includes both major infrastructure projects totaling \$346.0 million and \$57.8 million in capital equipment purchases. The capital projects budget includes planned improvements for streets, bridges, sewers (both sanitary and storm), traffic regulation, public buildings, parks and recreation facilities, and capital equipment items.

Development

The Unified Government's economic development program focuses on retaining and strengthening the traditional manufacturing and distribution base while diversifying the economy in the office, service, and tourism and entertainment sectors, and promoting housing development and redevelopment.

Tourism District.

The Unified Government has been committed to the successful development of a 1,600-acre tract of land, located directly northwest of the intersection of Interstate Highways 70 and 435. This effort has resulted in attracting the Kansas Speedway (NASCAR) as the economic catalyst for development of this tract using the STAR Bond tax increment financing incentive. The speedway project, totaling more than \$280 million, is a 1.5-mile tri-oval on approximately 1,100 acres of land, with 72 luxury hospitality suites and grandstand seating for 82,000. The speedway has at least four major race events per year, and is in use approximately 200 days per year for various events, including driving schools, charity events, and track tours. A second NASCAR Sprint Cup race was added to the racing schedule and has had an economic impact of \$100 million in the Kansas City metropolitan area. With the addition of this second race, the Kansas Speedway invested \$3.5 million to add lighting to the Speedway for night races. In addition, the speedway has completed a \$6.5 million renovation project that includes repaving, reconfiguring and re-banking of the track. Also, a new infield road course was added for Grand-Am Road Racing. The Kansas Speedway operates at or near capacity for all major race events.

In December 2009, the Kansas Lottery Gaming Facilities Review Board approved the construction of the Hollywood Casino in Wyandotte County. The first phase of the project included the construction of a 100,000 square foot casino and 28,000 square feet of food and entertainment amenities which opened in 2012 and included 2,000 slot machines, 64 table games, restaurants and bars, and created approximately 1,500 construction jobs and the casino employs approximately 750 people. In the second phase of the project, a 250-room hotel is to be constructed with 18,000 square feet of meeting space; however, construction of the hotel has been delayed. Until construction of the hotel begins, the casino is subject to an additional 1% payment of net gaming revenues to the Unified Government. This equals approximately \$1.4 million on an annual basis and was effective as of February 4, 2014.

Joining Kansas Speedway at Village West are major destination retailers and entertainment businesses that attract approximately 10 million visitors and shoppers annually. The initial anchor businesses and attractions include: Cabela's, a 188,000 square-foot store with 116,666 square feet of retail space featuring hunting, fishing, and other outdoor items with an 11,000 square-foot museum and 60,000-gallon aquarium; Nebraska Furniture Mart, a 1,075,000 square-foot store with 450,000 square feet of retail space and an adjacent 675,000 sq. ft. warehouse that sells furniture, electronics, appliances, and floor coverings; and the Great Wolf Lodge and Resort, a 281-room lodge with a 40,000 square-foot indoor water park

The Legends Outlets Kansas City, formerly the Legends at Village West (the "Legends") is an approximately \$230 million shopping center housing nearly 710,000 square feet of retail, dining, and entertainment. The Legends 14 Theatre complex (approximately 88,270 square feet and approximately 3,000 seats) is the largest of the tenants. In 2015, the owner of the Legends, KKR Legends, LLC, purchased the theater complex from the Unified Government. KKR Legends, LLC has leased the theater to AMC Entertainment which completed renovations to the theater in 2016.

In January 2016, the Legends Outlets Kansas City was purchased by Walton Street Capital from KKR Legends, LLC. As of March 2018, 116 businesses, including 28 restaurants, were open in Village West, employing nearly 5,700 people. On the north side of the Legends Outlets, a \$10 million, 108-unit Residence Inn by Marriot that features suites opened in January 2016. In 2017, businesses generated over \$734 million in retail sales with local and state sales tax, use tax and transient guest tax collections of over \$63 million. The real and personal property taxes levied for this development area were approximately \$24 million.

Approximately \$453 million in sales tax special obligation revenue bonds (STAR bonds) were issued for Village West development. On December 1, 2016, the Village West STAR bonds were retired five years early due to strong revenue performance. These local sales tax annual revenues of \$12 million previously obligated for debt service payments now flow to the city and county government.

CommunityAmerica Ballpark is the home of the Kansas City T-Bones, a member of independent baseball's American Association (League) and has been operational since 2003. The facility has a capacity of just fewer than 10,400 which includes suites, fixed seats, picnic or berm seating, and standing areas. Fixed seats total 6,600. Stadium capacity was increased in 2008 to accommodate Sporting Kansas City during the years they played in this stadium. The Issuer purchased the stadium in February of 2014. Since the T-Bones built a ballpark and moved to Kansas City, Kansas, they have proven to be one of the most popular independent teams in the country. The T-Bones completed their 15th year of operation in 2017. T-Bones games drew approximately 211,600 fans in 2017.

The Unified Government, Zimmer Real Estate Services, Inc., and the Kansas Unified Development, LLC entered into a Multi-Sport Stadium Venture Agreement ("Stadium Agreement") for the construction of an 18,467-seat multi-sport stadium complex that is the permanent home to Sporting Kansas City, a Major League Soccer team. Under the Stadium Agreement, the Unified Government has issued STAR Bonds that result in \$147,000,000 of net funding for the Stadium Project. The STAR Bonds are payable from State and local sales and transient guest taxes. The stadium, named Children's Mercy Park (known as Sporting Park prior to 2016), completed its seventh successful season in 2017 with near capacity attendance. Children's Mercy Park, recognized nationally and internationally for its design, hosted the Division II Football Championship for four straight years, from 2014 to 2017.

In June 2017, the Dairy Farmers of America opened a \$34 million headquarters north of I-70 and east of I-435, just east of the Village West area. The Dairy Farmers of America is the area's largest private employer in terms of revenue (\$13.5 billion in 2016). Completed in early 2017, the new headquarters is a three-story, 125,000 square foot project that brought approximately 325 jobs to this area. Finally, there are plans to build a 40,000 square foot, \$11 million medical office building on a 5.2 acre site adjacent to the Dairy Farmers of America (expected completion 2nd Quarter 2018). A Frontier Justice gun range (33,000 square foot, \$4.7 million) has also opened in late 2017 in this same area.

Just east of the Village West/Legends tourism district, an \$80 million major multi-sport athletic complex project was constructed by OnGoal, LLC that includes the following components: (1) National Training Center- an indoor and outdoor coaching and training and practice facility for multiple sports, including soccer, football, lacrosse, and rugby, which facility shall be utilized for the U.S. Men's and Women's National Soccer Teams and other international teams, and (2) Tournament Fields – a tournament soccer fields complex. The NTC was completed in 2018, and the Tournament Fields in 2017. In addition to hosting annual training activities of the US National Soccer Team, facilities within the NTC will be utilized for certain other Olympic sporting activities, certain national and regional tournament use, and as a championship venue for youth soccer tournaments. The development houses the elite athlete training and performance analytics campus and national youth soccer development programs. The facility includes approximately 100,000 square feet for an indoor facility with a practice field, eight lighted professional fields and twelve youth fields.

The U.S. Soccer National Training and Coaching Development Center is located adjacent to the Vacation Village STAR District. This district includes the Schlitterbahn Waterpark, which has 20 attractions including 24 slides located on 24 acres. Another component to this district is an auto mall that currently includes four auto dealerships, including a Ford, Dodge/Jeep/Chrysler, Nissan, and an auto outlet selling pre-owned vehicles.

It was announced in 2016 that the American Royal will move to Kansas City, Kansas after 117 years in Kansas City, Missouri. The American Royal Association, which began as the National Hereford Show in 1899, has evolved into a comprehensive season of events and outreach including six equestrian shows, a livestock show, youth and PRCA rodeos, agricultural education programs and the world's largest barbecue competition - the World Series of Barbecue[®]. This new \$160 million development is anticipated to utilize up to \$80 million in STAR bond funds. The American Royal will purchase approximately 60 to 100 acres of the total 274 acre site. The new facilities are proposed to include a livestock exhibition hall, indoor/outdoor warm-up arenas, and a main arena with 5,000 permanent seats and 3,200 temporary seats. The American Royal components would primarily be used for agricultural oriented exhibits and shows, including rodeos, as it does at its current location.

Amazon Fulfillment Center

In August 2017, Amazon completed construction and opened their Amazon Fulfillment Center in Kansas City, Kansas at I-70 and Turner Diagonal freeway, the third such facility in Kansas City region. The facility is 855,000 square feet at a construction costs of approximately \$300 million on the 134-acre site. Approximately 5,500 employees were hired for the fulfillment center that will pick, pack and ship customer items, such as toys, books and electronics, utilizing cutting-edge technology with advanced robotics systems.

39th & Rainbow Commercial Development. This project is a \$39 million mixed-use development located adjacent to Kansas University Medical Center. The first phase of the project included approximately 10,000 square feet of first-floor retail space and, on the second through fourth floors, an 83-room Holiday Inn Express & Suites. Additional Phase 1 store openings in the development include: Five Guys Burger and Fries; Topp'd Pizza; and a Subway sandwich store. The second phase of the project was 100,000 square feet in a four-story building and includes Kansas University Hospital, Kansas City Transitional Care Center, and Hanger Prosthetics & Orthotics. A Tanner's Bar and Grill opened in 2018. This area draws more than 10,000 persons daily and expects to attract new retail development due to the area's dense resident population and the proximity to the KU Medical Center and Hospital. The Urban Land Institute honored this project as Development of Distinction.

Midtown. The Unified Government completed the demolition of the Indian Springs mall in 2016, and is working with Lane4 Property Group to market the site.

Google. On March 30, 2011, Google announced the selection of Kansas City, Kansas as the location for its first ultra-high-speed fiber project. The Unified Government was chosen from more than 1,100 applications submitted by cities around the nation. The initial installation phase has been completed. In addition, the headquarters of the Kansas City Startup Village is located in a Kansas City, Kansas neighborhood. This area of the City, close to the Google Fiber office, is dubbed ‘Silicon Prairie’ and is becoming an area where entrepreneurs are working on ideas utilizing Google’s ultra-high-speed internet services. Google’s initiative is to build and study the use of ultra-high-speed broadband networks in a small number of trial locations around the country. This project is centered on improving internet access and observing how communities transition from traditional broadband to ultra-high-speed fiber optic connections, which is 100 times faster than most broadband connection speeds available today. Google has committed to providing 1 gigabit per second fiber to homes and businesses, as well as providing free access to schools and municipal facilities. Google Fiber is offering high-speed internet access to small businesses in Kansas City, Kansas. In 2016, Google launched the “Gigabit Communities” program, with Google partnering with the public housing authority and other non-profit organizations to bring free gigabit Internet access to residents in communities that primarily house families with K-12 children.

Industrial Park Developments. The Unified Government currently has four major industrial parks: Fairfax Industrial Business District, Central Industrial Business District, Armourdale Industrial Business District, and the Santa Fe Industrial Business Park. These four industrial areas represent 80% of the industrial development in the Unified Government. The Unified Government has several other industrial park developments in the Hart Business Park located at 55th and K-32, Woodend Industrial Park along the I-435 Corridor, the Muncie Industrial Park located at 62nd and K-32 and the I-635 Industrial Park at I-635 and Metropolitan. Edwardsville has also developed an industrial/warehouse area near I-435 and the Kansas River.

General Motors (GM) continues to have a significant presence in the Fairfax Industrial District. Currently the Chevy Malibu and Buick LaCrosse are produced at this facility. A third shift was added in January 2010, creating approximately 900 jobs. A \$600 million, 400,000 square-foot paint shop expansion for vehicle construction activities to support future production at the site was recently completed. In 2015, GM announced an additional \$174 million investment to this Kansas City, Kansas plant to support the redesigned 2016 Chevy Malibu. In April 2016, it was announced that a \$245 million investment at the Fairfax plant will allow for the production of a new car to be built which will replace the production of the Buick LaCrosse. In February 2018, GM announced an investment of \$265 million to support production of a new Cadillac XT4 crossover SUV.

The Revitalizing Auto Communities Environmental Response (RACER) Trust was established nationally in 2011 to remediate and reposition GM sites left behind by the company during its 2009 bankruptcy. In March 2013, the Unified Government approved an agreement with NorthPoint Development for development of a former 80-acre GM site, which is projected to be fully built over a 6 to 10 year period. Groundbreaking for the site occurred in December 2013. Part of the first phase of construction consists of the installation of infrastructure, access roads and utility lines. The first project built on this site is an 80,000 square-foot, \$10 million manufacturing facility for Inergy which produces fuel tanks for GM vehicles. In 2017 a second industrial building (840,000 square feet) opened. NorthPoint Development is developing this building for General Motors which will use the space as a logistics center for the management of critical and time-sensitive manufacturing components. This new facility is expected to employ 500 persons.

In 2014, NorthPoint Development began redevelopment of 25 acres of the Unified Government's Public Levee operations, located in the Fairfax Industrial area. NorthPoint initially demolished existing buildings and then built a 396,000 square-foot industrial building, which meets current manufacturing and industrial needs. The first tenants in this building are Plastic Packaging leasing 56,000 square feet and Ozburn-Hessey Logistics leasing 56,200 square feet and Vitex (60,000 square feet).

Additionally, in 2015, NorthPoint acquired a 369,000 square-foot industrial warehouse property located in the Santa Fe industrial area. This \$18 million project included the acquisition of two buildings and investments in equipment, energy efficiencies, loading docks replacement and truck traffic reconfiguration. This project created 50 jobs for a new tenant. Two existing clients remain in the facility.

Also of note in the Fairfax Industrial District, Sunshine Biscuit recently completed a \$4.6 million remodel of its facility.

Office and Service. The downtown area, with approximately 5,000 employees, has the largest concentration of office workers. In addition to the downtown area, there are active office parks in Cambridge Terrace, Meadowlark Lane, Woodlands West and assorted office and medical facilities in different locations throughout the community.

Downtown Kansas City, Kansas continues its revitalization with the redevelopment of two properties along Minnesota Avenue. Loretto Properties redeveloped the buildings for a cost of \$1.5 million. The buildings house various nonprofit organizations, professional services and also serve as possible satellite locations for two Kansas City, Kansas colleges.

A \$37 million development project is being proposed in downtown Kansas City, Kansas that would include a new grocery store, community center with an Olympic-tournament size pool, walking trails, a possible housing development for seniors, a possible primary/urgent care medical facility and green space for farmers markets. In May 2013, the Wyandotte Health Foundation donated \$1 million for this project and the Unified Government has committed \$6 million in its future capital program for this project.

Retail. The Metropolitan Avenue Redevelopment Area is located in the Argentine community which is south of I-70 in eastern Kansas City, Kansas. A new Kansas City, Kansas Police Department south patrol station was built in the redevelopment area. A ground breaking was held in June 2016 for the new \$2.25 million, 6,000 square foot facility.

Recreation. In 2016, the Unified Government completed (in cooperation with many other organizations) a vital link to the Heritage Trail System. Costing \$2.6 million, the completion of the connector trail opens up additional trail development along the Kansas River.

Housing. Building upon the success of Village West and the Hollywood Casino, there has been development of multi-family residential housing. The Village West Apartments was a \$30 million project consisting of 306 units. The Prairie View at Village West Apartments was a \$27 million second phase of the project consisting of 312 units. These market rate apartments are located adjacent to one another, just west of Village West on 110th Street between State Avenue and Parallel Parkway. The Legends Apartments and West Lawn Upgrade includes a 265 unit apartment building and garage located adjacent to the Legends Shopping Center on the south side of Parallel Parkway, east of 110th Street in Kansas City, Kansas. The garage will have a total of 615 spaces and will service both the apartments and provide public parking for the various retail, entertainment and sports venues within Village West.

Community Housing Wyandotte County (CHWC) is a non-profit, community development corporation, whose mission is to stabilize, revitalize, and reinvest in Kansas City, Kansas neighborhoods through affordable housing, homeownership promotion, and community building. CHWC focuses its programs in the urban core neighborhoods of Kansas City, Kansas/Wyandotte County. Additionally, CHWC has provided more than \$2,000,000 in grants, minor home repair loans, and mortgages to low- and moderate-income households in the community. To date, CHWC has built and sold over 200 new single-family homes in the urban core east of I-635.

The Neighborhood Stabilization Program (NSP) is a federal Housing and Urban Development program and was established for the purpose of stabilizing communities that have suffered from foreclosures and abandonment. This stabilization is realized through the purchase and redevelopment of foreclosed and abandoned homes and residential properties. The Unified Government has received over \$12 million in funding from two phases of the NSP 1 and 3 programs. Funds from this program have improved residential properties throughout Wyandotte County / Kansas City, Kansas with special emphasis on the northeast area of the city. Funds from NSP 1 purchased 52 properties with 49 being rehabbed or sold; the remaining three were demolished and put into the Unified Government's Land Bank program for future development. The second phase of funding NSP 3 was utilized and to construct 21 new homes, and the rehabilitation of 5 existing homes. Of the 21 new homes 15 have been sold and 1 is under contract. Currently all 5 homes have been rehabilitated with 4 sold and 1 under contract.

Education. A new \$15 million elementary school (Frank Rushton) was constructed in June 2016. In November of 2016, Unified School District #500 residents approved a \$235 million no tax increase bond issue which extended the period of the current bond. Construction projects will largely be completed over a five-year period and will include safety and security upgrades to all buildings, replacement of four outdated schools, the repurposing of two buildings, new playgrounds and kitchens for buildings that need them, and the completion of critical maintenance projects.

Financial Institutions*

The following full service banks are located in the Unified Government:

	Deposits <u>As of 12-31-17</u>
Security Bank of Kansas City	\$ 2,389,050,000
Bank of Labor	492,170,000
Community First Bank	126,394,000
Argentine Federal Savings	<u>40,203,000</u>
Total	\$3,047,817,000

In addition, branch offices of Academy Bank, National Association; Bank of America, National Association; Capitol Federal Savings Bank; Commerce Bank; Country Club Bank; First State Bank and Trust; KCB Bank; Liberty Bank and Trust Company; NBH Bank, National Association; RBC Bank; U.S. Bank National Association; UMB Bank, National Association; and The Union State Bank are located throughout the Unified Government.

* *This does not purport to be a comprehensive list.*

Source: Federal Deposit Insurance Corporation, <http://www.fdic.gov>.

Medical and Health Facilities

There are two medical facilities within the boundaries of the Unified Government: Providence Medical Center with 400 licensed beds (234 staffed), and the University of Kansas Medical Center (KU Medical Center), with 433 licensed beds.

KU Medical Center (Hospital and Research Center) is a multi-dimensional institution with a near 100-year tradition of health care delivery, teaching and research. KU Medical Center's complex includes more than 40 buildings on a 50-acre campus and, with nearly 6,000 employees, is one of the Unified Government's largest employers. Two hundred and twenty-five medical specialties including cardiology, oncology, high-risk obstetrics, neonatal care, psychiatry, rehabilitation services, two hyperbaric oxygen chambers, plus bone marrow and organ transplantation are housed within KU Medical Center, along with primary and family medical care. Specialized centers and clinics include cardiology, oncology, aging, epilepsy, diabetes, pain management, hearing and balance, impotence, osteoporosis, and reproduction-infertility. In 2012, the University of Kansas Cancer Center officially received National Cancer Institute designation, making it one of the nation's top sources of cancer research and clinical medical care. The medical center includes a six-story, 183,000 square-foot medical office building attached to the southeast corner of the

existing hospital, which houses approximately 400 physicians in multiple specialties; and three new patient care floors have been built on top of the existing Center for Advanced Heart Care at a value \$50 million, which added 123,000 square feet to the building's existing 238,000 square feet. Further, it was announced in June 2012 that the University of Kansas has requested funds from the state to build a new medical education building on its Kansas City, Kansas Campus. The total project cost is \$75 million and the project broke ground in August 2015. In May 2014, a \$25 million gift was received from the Hall Family Foundation, which helped fund this education building. The building opened in fall 2017. In March 2015, ground was broken on a \$280 million patient tower that is a seven-story facility with 92 beds and 12 operating rooms. This building, called Cambridge North Tower, houses two fast-growing specialty areas: Neurosciences and surgical oncology. In January 2016, it was announced that the Cambridge North Tower will add an additional four floors at a cost of \$50 million, making the total project cost at least \$320 million. It is anticipated that the project will be completed in 2018. In 2013, Stason Pharmaceuticals announced it will move its main division to the Bioscience & Technology Business Center located at the University of Kansas Medical Center in Kansas City, Kansas. This company develops drugs for various human diseases.

Providence Medical Center offers a full range of hospital services including: inpatient care; 24-hour emergency services; labor, delivery, maternity, nursery, pediatric and gynecological care; inpatient and outpatient surgery; neurosurgery; a Joint Center; a Spine Center, an accredited Diabetes Center; and accredited Sleep Disorders Center; rehabilitation services; radiation therapy; breast cancer screening; oncology care; cardiac care and rehabilitation; inpatient spiritual care; and the Partners in Pain Management Center. The Providence Medical includes two new physician offices, Providence Care Midtown and Providence Care Bonner Springs, which meet community needs for family practice, obstetrics/gynecology and ear/nose/throat services; the addition of the Emergency Services department expansion at the main hospital, which consisted of a new entrance, expanded waiting room and Rapid Medical Evaluation rooms; an adult care facility; and \$500,000 of additional improvements, which included a new MRI modular structure and various remodeling. In 2016, a new advanced Wound Care Center opened.

In 2013, Prime Healthcare Services acquired Providence Medical Center. Prime Healthcare Services has committed to maintain current acute-care and emergency department services for at least five years, maintain current levels of charity care and provide \$10 million toward capital and other investment projects during the next five years.

Across the street from Providence Medical Center, is a \$9 million senior care facility. The Mainstreet Health and Wellness Suites, which opened in the fall of 2015, is a 100-bed facility and created 100 jobs.

Children's Mercy Hospitals and Clinics expanded to Kansas City, Kansas and includes a clinic known as Children's Mercy West, located at I-635 and State Avenue.

Education

Public and Private Education

Area students from kindergarten through high school are provided public education by four unified school districts: Unified School District #500 (Kansas City), Unified School District #202 (Turner), Unified School District #203 (Piper), and Unified School District #204 (Bonner Springs). Residents are also served by the six private school system within Wyandotte County. Shown below is total enrollment of the public school districts and the parochial schools within Wyandotte County.

<u>School Enrollment</u>				
<u>2017/18</u>	<u>2016/17</u>	<u>2015/16</u>	<u>2014/15</u>	<u>2013/14</u>
31,578	30,826	30,414	30,200	29,753

Sources: Public and private schools in Wyandotte County, Kansas

Post-Secondary Education

Postsecondary educational facilities include the Kansas City, Kansas Community College, Donnelly College, and KU Medical Center.

GOVERNMENTAL ORGANIZATION OF THE UNIFIED GOVERNMENT

The Unified Government of Wyandotte County/Kansas City, Kansas was created upon the consolidation of the governments of the City of Kansas City, Kansas (the “City”) and Wyandotte County, Kansas (the “County”) effective October 1, 1997. The consolidation was approved by voters of the City and the County on April 1, 1997 and, on March 6, 1998, was upheld by the Kansas Supreme Court in *State ex. rel. Tomasic v. The Unified Government of Wyandotte County/Kansas City, Kansas*, 264 Kan. 293 (1998). Where appropriate, references to the Unified Government include references to its predecessors, the City and the County.

Pursuant to consolidation, the existing governments of the City and the County were replaced by a governing body composed of a Mayor/Chief Executive and a ten-member Board of Commissioners. Each of eight districts nominates and elects one commissioner. Two at-large commissioners are nominated from two countywide districts comprised of the four northern-most and four southern-most districts. The Mayor/Chief Executive has veto power, which can be overridden by a two-thirds majority of the Board of Commissioners. A County Administrator is appointed by the Mayor/Chief Executive, with the consent of the Board of Commissioners, and is directly responsible for the daily functions of the Unified Government.

In accordance with the provisions of State law which permitted consolidation, any bonded indebtedness and interest thereof incurred by the City or the County prior to the consolidation remains an obligation of the property subject to taxation for the payment thereof prior to such consolidations.

The Unified Government, with a current County population of 163,369, covers an area of approximately 155.7 square miles (99,870 acres). It is located on the eastern border of the State of Kansas and, along with three other Kansas counties and eight Missouri counties, comprises the Kansas City Metropolitan Statistical Area with a total population of approximately 2 million.

Elected Officials

	<u>Position</u>	<u>Expiration of Term</u>
David Alvey	Mayor/Chief Executive	December 2021
<u>Commissioners</u>		
Gayle Townsend	First District	December 2021
Brian McKiernan	Second District	December 2019
Ann Brandau-Murguia	Third District	December 2019
Harold Johnson, Jr.	Fourth District	December 2019
Mike Kane	Fifth District	December 2021
Angela Markley	Sixth District	December 2019
Jim Walters	Seventh District	December 2021
Jane Philbrook	Eighth District	December 2021
<u>Commissioners-At-Large</u>		
Melissa Bynum	First District	December 2019
Tom Burroughs	Second District	December 2021

Mr. Douglas G. Bach was appointed County Administrator on March 13, 2014. Prior to Mr. Bach’s appointment, he served in various positions in the County since 1990, including serving as Deputy County Administrator.

Mr. Kenneth J. Moore serves as Chief Counsel for the Unified Government of Wyandotte County/Kansas City, Kansas. Mr. Moore has served as the Unified Government's Chief Counsel since December 3, 2015.

Ms. Kathleen VonAchen is the Chief Financial Officer. Ms. VonAchen has been with the Unified Government since February 22, 2016. Prior to joining the Unified Government, Ms. VonAchen served in various roles for various cities including the deputy finance director and interim finance director for the City of San Mateo, California; the finance officer for the City of Stockton, California; the finance director and city treasurer for the City of Evans, Colorado; the budget director for the City of Aspen, Colorado; and a finance officer for the Colorado Department of Higher Education.

Public Utilities

Board of Public Utilities. The Unified Government's utility system is managed, operated, maintained and controlled on a day-to-day basis by the Unified Government of Wyandotte County/Kansas City, Kansas Board of Public Utilities (BPU), which is an administrative agency of the Unified Government. BPU operates the water and electric utilities owned by the Unified Government. In the early 1900s, citizens of Kansas City authorized the purchase of a privately owned water system and the construction of an electric light plant and electric distribution system, designed mainly to operate a street lighting system and to furnish power to the municipal waterworks. In 1929, the State Legislature transferred management of the water and electric light plants from the Board of City Commissioners to BPU, which is independent of all other branches of the Unified Government, but a dependent agency of the Unified Government.

BPU currently serves approximately 64,000 electric customers and 51,000 water customers. The number of service customers does not include electric and water services to the facilities of the Unified Government. The BPU has two electric power generating stations to provide the electricity needed by its customers: Nearman Creek Power Station and Quindaro Power Station, which are located within the corporate limits of the Unified Government. A network of 161kV and 69kV transmission lines interconnects the BPU generating stations and the distribution substations. The maximum net capability (i.e., demonstrated capacities at the time of summer peak) of the Nearman and Quindaro generating stations is 631 MW. In the early 1980's the BPU entered into long-term agreements with two utilities for wholesale power from the Nearman plant. In December 2012 the BPU completed the purchase of a 17% (110 MW) undivided interest in the Dogwood Generating Facility. The Dogwood project is an approximately 635 MW combined-cycle natural gas fired generating facility. Electricity from the Dogwood facility will offset coal-fired produced electricity.

The BPU water customers are served by the Nearman Water Treatment plant, which opened in 2000. The plant processes water pumped from two horizontal collector wells which draw water from an underground aquifer beneath the Missouri River. The horizontal collector wells are some of the largest alluvial wells in the world. The older Quindaro water treatment plant is on stand-by service.

In addition to providing electric and water utility services, BPU provides billing service to residents of the Unified Government for solid waste removal (for which the Unified Government contracts), wastewater treatment, and Payment In Lieu of Taxes.

The Unified Government serves over 45,000 residential and commercial customers through its five sewage treatment plants. Kansas Gas Service and Atmos Energy provide natural gas utility service.

Recreational and Cultural Facilities

The Unified Government maintains 53 parks with 2,715 acres of recreational land. Park activities include tennis, biking, golf, fishing, track, team sports, picnicking, playgrounds, and archery. The Unified Government also provides seven recreation centers with gymnasium, craft and meeting facilities and two additional facilities for community events. The Parks and Recreation Department coordinates organized athletic activities and provides athletic and craft instruction.

The Sporting Kansas City professional soccer team based in Kansas City, Kansas has created twelve futsal courts with the goal of providing healthier recreational opportunities for youth and cultivating local soccer talent. Futsal is a modified form of soccer played with five players per side on a smaller, hard surface court.

The Kansas City, Kansas Public Library system offers access to a large collection of books, magazines, newspapers, books-on-tape, CDs, computer software, DVDs, videos, online databases and Internet resources. The Main Library at 625 Minnesota has extensive business and local history collections. The West Wyandotte Library at 1737 North 82nd Street has an extensive fine arts collection. The Mr. and Mrs. F. L. Schlagle Library at 4051 West Drive in Wyandotte County Lake Park is an environmental learning center sponsored jointly by the public library, the Kansas City, Kansas School District, the Unified Government, the Unified Government Parks and Recreation Department and the Wyandotte County Parks Foundation. The library also operates a bookmobile that stops throughout Wyandotte County.

All four libraries offer educational and recreational programs for all ages and gallery space for exhibits by area artists. The library system has a staff of more than 100, supplemented by the Friends of the Library organization and volunteers.

Employment/Labor Relations

As of January 1, 2018, the Unified Government authorized 2,358.85 full-time equivalent positions by the following program functions:

<u>Program</u>	<u>Authorized Positions</u>
Public Safety	
Police	489.00
Sheriff	262.00
Fire	457.00
Emergency Management	<u>5.25</u>
Total	1,213.25
Public Works - Total	338.50
Executive and Administrative Support	
Administration	16.30
Chief Knowledge Office	39.75
Finance	60.75
Clerk	10.50
Human Resources	13.00
General Services	44.25
Legal	21.00
Community Corrections	64.50
Court System	<u>108.35</u>
Total	378.40
Parks and Recreation	87.25
Other County Departments	93.45
Health Department	111.00
Community and Neighborhood Programs	96.50
Transportation	<u>40.50</u>
Total	<u>428.70</u>
Grand Total	<u><u>2,358.85</u></u>

Authorized position counts over the past five years are as follows:

<u>Year</u>	<u>Authorized Positions</u>
2018	2,359
2017	2,354
2016	2,345
2015	2,326
2014	2,279

Thirteen unions represent approximately 1,513 Unified Government employees. Seventy-five percent of the unionized employees are affiliated with five of the major union organizations. The 13 unions representing Unified Government employees are listed below

Bargaining Units

The Unified Government has labor contracts with the following unions:

<u>Union</u>	<u>Employees Represented</u>	<u>Contract Expiration Date</u>
Plumbers Local No. 8	Plumbers	December 31, 2019
Service Employees International No. 96	Building Engineers	December 31, 2019
International Brotherhood of Electrical Workers Local No. 53	Water Pollution Control Workers	December 31, 2017*
United Food & Commercial Workers International Union Local No. 576	Police Dispatchers and 911 Operators	December 31, 2017
Fraternal Order of Police Lodge No. 4	Patrol Officers, Sergeants, Detectives	December 31, 2019
Painters District Council No. 3	Painters	December 31, 2019
Construction and General Laborers No. 1290	Laborers and Foremen	December 31, 2019
Public Service Employee Local No. 1132	Traffic, Street and Park Maintenance Personnel	December 31, 2017*
Carpenters District Council No. 61	Carpenters	December 31, 2017
American Federation of State, County, and Municipal Employees No. 1294	Clerical, Service, Maintenance, and Technical	December 31, 2017*
International Association of Fire Fighters No. 64	Sworn Fire Fighters and Dispatchers	December 31, 2018
Fraternal Order of Police Lodge No. 40	Sheriff and Jail/Deputies	December 31, 2019
Teamsters Local No. 955	Sheriff, Jail and Pretrial	December 31, 2019

* In negotiations.

Employee Retirement Plans

The Unified Government has five contributory defined benefit retirement plans covering substantially all of its employees. The Unified Government was required to make contributions to four of the plans for the year ended December 31, 2016.

KPERS and KP&F – Plan Description. The Unified Government participates in the Kansas Public Employees Retirement System (KPERS) and the Kansas Police and Fire Retirement System (KP&F). Both are part of a cost-sharing multiple-employer defined benefit pension plan as provided by Kansas law. KPERS and KP&F provide retirement benefits, life insurance, disability income benefits, and death benefits. KPERS also provides Optional Life Insurance. Kansas law establishes and amends benefit provisions. KPERS and KP&F issue a publicly available financial report that includes financial statements and required supplementary information.

Funding Policy. State law establishes the KPERS member-employee contribution rate at 6% and establishes KP&F member-employee contribution rate at 7.15% of covered salary. The employer collects and remits member-employee contributions according to the provisions of section 414(h) of the Internal Revenue Code. State law provides that the employer contribution rates be determined annually based on the results of an annual actuarial valuation. KPERS and KP&F are funded on an actuarial reserve basis. State law sets a limitation on annual increases in the employer contribution rates. The KPERS employer rate established by statute for calendar year 2017 was 8.46%. Beginning January 1, 2018, the Unified Government's contribution changed to 8.39% of gross compensation for calendar year 2018. In addition, the Issuer contributes 0% of the employee's gross salary for Death and Disability Insurance for covered employees for the period beginning April 1, 2016, through September 30, 2017, and 1% of the employee's gross salary for Death and Disability Insurance for covered employees for the period beginning October 1, 2017. The KP&F uniform participating employer rate established for calendar year 2017 was 19.03% for Sheriff's department personnel and 19.03% for police and fire department personnel. Beginning January 1, 2018, the Unified Government's contribution changed to 20.09% of gross compensation for calendar year 2018. Total employer contributions for the last five years are shown in the table below:

<u>Year</u>	<u>KPERS</u>	<u>KP&F</u>
2016	\$5,683,137	\$12,592,173
2015	6,211,465	13,935,860
2014	6,370,742	16,334,242
2013	5,550,098	14,423,324
2012	4,853,592	11,950,741

In 1962, certain individuals elected not to participate in KPERS. Currently, there are two remaining retirees or their spouses receiving benefits under the prior plan maintained by the Unified Government. There are no employees contributing to the plan. The most recent actuarial study was prepared in 1998 and estimated total payments for 2017 through 2031 to be approximately \$246,153. The Unified Government has made no provision to fund these payments but includes an estimate of the annual expense in the general fund budget. Payments made to plan retirees for the year ended December 31, 2016 were \$38,366. This future payable is included with long-term debt.

For more information regarding the liability of the Unified Government with respect to its employees, please reference "Employee retirement systems and pension plans," of the Unified Government's Comprehensive Annual Financial Report for fiscal year ended December 31, 2016. (The Unified Government's Comprehensive Annual Financial Report for fiscal year ended December 31, 2017 is not yet available).

Sources: Unified Government's Comprehensive Annual Financial Reports.

Other Postemployment Benefits

The Governmental Accounting Standards Board (GASB) has issued Statement No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions (GASB 45), which addresses how state and local governments must account for and report their obligations related to post-employment healthcare and other non-pension benefits (referred to as Other Post Employment Benefits or “OPEB”).

The Unified Government sponsors a single-employer defined benefit healthcare plan that offers lifetime benefits to retirees and their dependents including medical, dental, and vision. Retiree health care coverage to age 65 is mandated under Kansas Statute 12-5040. The Unified Government also offers coverage past age 65 that is secondary to Medicare. Retired employees who do not meet the following employer paid retiree coverage criteria may elect to continue coverage at the retired employee’s own expense.

Employees must qualify for “unreduced” retirement under either KPERS or KP&F. Also, coverage due to disability retirement is available for qualifying individuals at any age who meet the requirements of KPERS or KP&F. A retiree may not enroll in medical coverage after once declining coverage. Dental and vision coverage are available each open enrollment whether or not a prior declination has occurred.

Additionally, employees that elected to retire under an early retirement offer receive direct subsidies off of the normal retiree premium rate to age 65. This direct subsidy ended for anyone not electing retirement by January 31, 2010. Employees not receiving a subsidy are required to pay blended premium rates to maintain coverage.

Components of the Unified Government’s annual OPEB cost, the amount actually contributed to the plan, and the changes in the Unified Government’s net OPEB obligation to the plan for the fiscal year ended December 31, 2016 are as follows:

Annual required contribution	\$ 11,530,507
Interest on net OPEB obligation	3,257,340
Adjustment to annual required contribution	<u>(4,889,052)</u>
Annual OPEB cost (expense)	\$ 9,898,797
Less: Contributions made	<u>(2,550,949)</u>
Increase in net OPEB obligation	\$ 7,347,848
Net OPEB obligation – beginning of year	<u>93,066,865</u>
Net OPEB obligation – end of year	<u>\$100,414,713</u>

The Unified Government’s annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the past five years are as follows:

<u>Fiscal Year</u> <u>Ended</u>	<u>Annual</u> <u>OPEB Cost</u>	<u>Employer</u> <u>Contribution</u>	<u>Percentage</u> <u>Contributed</u>	<u>Net OPEB</u> <u>Obligation</u>
December 31, 2016	\$ 9,898,797	\$2,550,949	25.77%	\$100,414,713
December 31, 2015	10,034,189	2,311,837	23.04	93,066,865
December 31, 2014	9,296,928	4,073,989	43.82	85,344,513
December 31, 2013	9,413,028	2,791,044	29.65	80,121,574
December 31, 2012	10,223,294	3,948,784	38.63	73,499,590

For more information concerning the Unified Government’s OPEB obligations, please reference “Other Postemployment Benefits Other than Pensions,” of the Unified Government’s Comprehensive Annual Financial Report for fiscal year ended December 31, 2016. (The Unified Government’s Comprehensive Annual Financial Report for fiscal year ended December 31, 2017 is not yet available).

GASB 75

In June 2015, the Government Accounting Standards Board approved Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (GASB 75), establishing new accounting and financial reporting requirements for government employer OPEB plans. GASB 75 will

replace GASB 45 and will take effect for the Unified Government for the fiscal year ending December 31, 2017. The Unified Government anticipates some level of impact on its financial statements for the fiscal year ending December 31, 2017; however, the Unified Government's financial statements for the fiscal year ending December 31, 2017 are not yet available.

Sources: Unified Government's Comprehensive Annual Financial Reports.

FINANCIAL INFORMATION

Insurance

The Unified Government has a comprehensive risk management program. This program includes coverage as provided for in the following policies: Property/boiler "all risk," Executive Protection (employee dishonesty), Excess Worker's Compensation, Vehicle liability policy for all vehicles owned by the Unified Government and Helipad liability for helipad located on top of Municipal Office Building. In addition to these insurance policies, the Unified Government maintains a self-insurance fund for Worker's Compensation, that is funded through appropriations from the General Fund; Sewer System, Public Levee and Golf Course Enterprise Funds; Special City Street and Highway Fund; and Community Development Block Grant Fund.

Budgeting, Accounting, and Auditing Procedures

State law prescribes the policies and procedures by which the Unified Government prepares its annual budget. By August 25 of each year (or October 1 if the Unified Government must conduct an election to increase property taxes above the tax lid described below) prior to the new fiscal year beginning on January 1, the governing body must adopt and file the annual budget with the County Clerk and the State Director of Accounts and Reports. The annual budget contains an estimate of the anticipated revenues and the proposed expenditures necessary to meet the Unified Government's financial needs, detailed by program and object of expenditures. The annual budget must be balanced, where total resources (revenues and prior year savings) must equal obligations.

The Unified Government may levy taxes in accordance with the requirements of its adopted budget. Property tax levies are based on the adopted budget of the Unified Government and the assessed valuations provided by the County appraiser. The Kansas Legislature passed legislation in 2015 and 2016 that, among other things, imposes an additional limit on the aggregate amount of property taxes that may be imposed by cities and counties, without a majority vote of qualified electors of the city or county (the "Tax Lid"). The Tax Lid was effective on January 1, 2017, and provides that, subject to certain exceptions, no city or county may approve an appropriation or budget which provides for funding by property tax revenues in an amount exceeding that of the immediately prior year, as adjusted to reflect the average changes in the consumer price index for the preceding five calendar years and provided that such average shall not be less than zero, unless approved by a majority vote of electors. The Tax Lid does not require an election in the following situations:

"(1) Increased property tax revenues that, in the current year, are produced and attributable to the taxation of:

- (A) The construction of any new structures or improvements or the remodeling or renovation of any existing structures or improvements on real property, which shall not include any ordinary maintenance or repair of any existing structures or improvements on the property;
- (B) increased personal property valuation;
- (C) real property located within added jurisdictional territory;
- (D) real property which has changed in use;
- (E) expiration of any abatement of property from property tax; or

(F) expiration of a tax increment financing district, rural housing incentive district, neighborhood revitalization area or any other similar property tax rebate or redirection program.

(2) Increased property tax revenues that will be spent on:

(A) Bond, temporary notes, no fund warrants, state infrastructure loans and interest payments not exceeding the amount of ad valorem property taxes levied in support of such payments, and payments made to a public building commission and lease payments but only to the extent such payments were obligations that existed prior to July 1, 2016;

(B) payment of special assessments not exceeding the amount of ad valorem property taxes levied in support of such payments;

(C) court judgments or settlements of legal actions against the city or county and legal costs directly related to such judgments or settlements;

(D) expenditures of city or county funds that are specifically mandated by federal or state law with such mandates becoming effective on or after July 1, 2015, and loss of funds from federal sources after January 1, 2017, where the city or county is contractually obligated to provide a service;

(E) expenses relating to a federal, state or local disaster or federal, state or local emergency, including, but not limited to, a financial emergency, declared by a federal or state official. The board of county commissioners may request the governor to declare such disaster or emergency; or

(F) increased costs above the consumer price index for law enforcement, fire protection or emergency medical services.

(3) Any increased property tax revenues generated for law enforcement, fire protection or emergency medical services shall be expended exclusively for these purposes but shall not be used for the construction or remodeling of buildings.

(4) The property tax revenues levied by the city or county have declined:

(A) In one or more of the next preceding three calendar years and the increase in the amount of funding for the budget or appropriation from revenue produced from property taxes does not exceed the average amount of funding from such revenue of the next preceding three calendar years, adjusted to reflect changes in the consumer price index for all urban consumers as published by the United States department of labor for the preceding calendar year; or

(B) the increase in the amount of ad valorem tax to be levied is less than the change in the consumer price index plus the loss of assessed property valuation that has occurred as the result of legislative action, judicial action or a ruling by the board of tax appeals.”

The Tax Lid also provides that “[w]henver a city or county is required by law to levy taxes for the financing of the budget of any political or governmental subdivision of this state that is not authorized by law to levy taxes on its own behalf, and the governing body of such city or county is not authorized or empowered to modify or reduce the amount of taxes levied therefore, the tax levies of the political or governmental subdivision shall not be included in or considered in computing the aggregate limitation upon the property tax levies of the city or county.”

Because of ambiguities in the Tax Lid, it is unclear how the various exceptions will be interpreted and how the Tax Lid will be implemented. As a result, it is unclear how the Tax Lid will impact the Unified Government and the PBC.

The Unified Government’s Rental Payments pursuant to the leases entered into with respect to the PBC Series 2018-A Bonds and the PBC Series 2018-B Bonds are subject to the Tax Lid because such leases were entered into after July 1, 2016.

The PBC cannot predict the impact of the Tax Lid on the ratings on the PBC Series 2018-A Bonds, or the general rating of the PBC. A change in the rating on the PBC Series 2018-A Bonds or a change in the general rating of the PBC may adversely impact the market price of the PBC Series 2018-A Bonds in the secondary market.

In order to ensure that Kansas public agencies will conduct their financial affairs in a fiscally responsible manner, the State Legislature enacted a cash-basis law in 1933 (K.S.A. 10-1101 to 10-1122), which makes it unlawful for the governing body of any municipality to create any indebtedness in excess of the amount of funds actually on hand in the treasury of such municipality at the time for such purpose, or to authorize

the issuance of any order, warrant, or check or other evidence of indebtedness of such municipality in excess of the funds actually on hand in the treasury of such municipality at the time for such purpose. The essence of the cash-basis law is to prohibit municipalities from spending more than they receive annually in operating revenues, and to prevent the issuance of short-term debt to cover operating expenditures.

The Kansas Statutes and the Director of Accounts and Reports provide for municipal record keeping in conformance with the cash-basis and budget laws of the State of Kansas. Separate funds are maintained for specific purposes and projects in accordance with state law, the State Division of Accounts and Reports, Department of Administration, bond covenants, tax levies, commitments for grants and ordinances and resolutions. Revenues and expenditures are accounted for and an annual report is produced, showing revenues received, encumbrances and expenditures against budgeted revenues and expenditures. Annual audits of the financial records are performed by a firm of certified public accountants, in accordance with generally accepted auditing standards, and filed on an annual basis with the State Division of Accounts and Reports.

Certificate of Achievement for Excellence in Financial Reporting and Budgeting

The Government Finance Officers Association (GFOA) of the United States and Canada awarded a Certificate of Achievement for Excellence in Financial Reporting to the Unified Government for its Comprehensive Annual Financial Reports for the fiscal years ending December 31, 1999 through 2016. In order to be awarded a Certificate of Achievement, the government must publish an easily readable and efficiently organized report, which conforms to applicable program standards, generally accepted accounting principles, and applicable legal requirements. The Budget Department has received the GFOA Distinguished Budget Presentation Award five years in a row (2013 through 2017).

Annual Operating and Capital Budget

The Unified Government finances its annual operating and capital budget needs through local property tax levies, state and federal grant programs, local retailers' sales tax, franchise fees and utility payment-in-lieu taxes, user fees and regulatory permits, municipal court fines and forfeitures, and other miscellaneous sources. The Unified Government has 36 appropriated funds including General, Public Levee Enterprise, Sewer System Enterprise, Community Development Block Grant, Street and Highways, Parks and Recreation, Alcohol Grants Program, Travel and Tourism, Golf Course Enterprise, 911 Tax, Law Enforcement Trust, Bond and Interest, Appraiser, Elections, Health Department and Aging. The General Fund represents the largest appropriated funding source for both operating and capital expenditures.

Funds for payment of the principal and interest on the City's general obligation bonds are obtained under Kansas statutes solely from ad valorem property taxes upon the taxable tangible property, real and personal, within the corporate boundaries of the City, except for certain projects which are paid from special assessments against the property owners of property benefited by the improvements and tax increment payments collected from property owners located within redevelopment projects. Notwithstanding the fact that only ad valorem property taxes, special assessments and tax increments may be pledged as security for general obligation bonds, it should be noted that the City debt service fund receives transfers from the Enterprise Funds (sewer, public levee, golf course, and storm water) and the 911 fund for their respective share of the debt associated with general obligation bond issues.

In addition, The Unified Government has issued bonds under the American Recovery and Reinvestment Act (ARRA) for which the Unified Government applies for and receives a direct interest subsidy payment for each semiannual interest payment. Each direct interest subsidy payment received by the Unified Government is used to offset a percentage of the required interest payment on such ARRA Bonds.

General Fund Budget ^(a)

	<u>2015 Actual</u>	<u>2016 Actual</u>	<u>2017 Estimate</u>	<u>2018 Budget</u>
Revenues:				
Taxes	\$158,106,549	\$160,525,389	\$173,899,701	\$174,367,661
Annual Debt Appropriation ^(b)	0	0	0	10,289,225
Permits and Licenses	2,334,336	2,323,755	2,243,700	2,421,200
Intergovernmental	3,854,285	4,042,979	4,420,164	4,469,650
Charges for Services	12,898,944	12,922,898	12,809,286	13,259,100
Fines, Forfeits, Fees	8,108,639	6,904,800	6,647,967	5,791,900
Interest Income	1,536,193	1,069,265	2,111,406	1,860,000
Miscellaneous ^(c)	4,101,300	4,807,310	5,113,539	4,658,807
Other Financing Sources	<u>12,218,088</u>	<u>2,437,970</u>	<u>2,763,555</u>	<u>2,337,000</u>
Total Revenues	\$203,158,335	\$195,034,366	\$210,009,317	\$219,454,543
Expenditures:				
Personnel	\$141,658,997	143,636,567	148,228,265	152,024,046
Contractual Services	28,673,021	32,861,566	31,025,279	35,814,751
Commodities	5,405,810	5,496,330	5,989,723	6,434,497
Capital Outlay	4,687,800	4,595,056	6,296,497	5,902,850
Grants, Claims, Shared				
Revenues	4,637,154	5,062,754	6,585,722	6,736,889
Debt Service	1,174,900	641,175	641,913	640,851
Annual Appropriation-Debt ^(b)	0	0	0	10,289,225
Other Expenses/Reserves	30,924	228	482	775,000
Transfers Out	<u>3,095,672</u>	<u>4,590,847</u>	<u>3,866,043</u>	<u>1,070,083</u>
Total Expenditures	\$ 189,364,278	\$ 196,884,523	\$202,633,924	\$219,688,192
Net Change to Fund Balance	\$ 13,794,057	\$ (1,850,157)	\$ 7,375,393	\$ (233,649)
Beginning Unencumbered Fund Balance	\$ 7,334,767	\$ 21,128,824	\$ 19,278,667	\$ 26,654,060
Ending Unencumbered Fund Balance	<u>\$ 21,128,824</u>	<u>\$ 19,278,667</u>	<u>\$ 26,654,060</u>	<u>\$ 26,420,411</u>

^(a) From the Budgetary Basis Financial Statements of the Comprehensive Annual Financial Report; 2017 Estimate are unaudited actuals, and 2018 Budget is the original budget adopted by the Unified Government Commission.

^(b) Consists of Sales Tax Revenue Bonds (STAR) revenues and Transportation Development District appropriations.

^(c) Miscellaneous revenues include "reimbursements," and "other miscellaneous revenues."

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Appendix G

DEVELOPMENT AGREEMENTS

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APARTMENTS AND GARAGE DEVELOPMENT AGREEMENT

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**DEVELOPMENT AGREEMENT
FOR
LEGENDS APARTMENTS AND GARAGE**

between the

UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS

and

LEGENDS APARTMENTS LEGACY, LLC

DATED AS OF NOVEMBER 20, 2015

DEVELOPMENT AGREEMENT
[Legends Apartments and Garage]

THIS DEVELOPMENT AGREEMENT FOR LEGENDS APARTMENTS AND GARAGE (the "Agreement") is made as of the 20th day of November, 2015 (the "Effective Date") between the Unified Government of Wyandotte County/Kansas City, Kansas (the "UG"), and Legends Apartments Legacy, LLC, a Kansas limited liability company, or permitted assigns ("Developer").

RECITALS:

A. The Developer wishes to design, develop, and construct a first-class, luxury apartment building, along with structured parking and related amenities (the "Project," as further defined in Section 2.2 below), on certain real property generally located adjacent to the Legends Shopping Center on the south side of Parallel Parkway, east of 110th Street in Kansas City, Kansas (the "Project Site"), as legally described on Exhibit A-1 and generally depicted on Exhibit A-2, as attached hereto.

B. The UG has the authority to create a community improvement district ("CID") pursuant to K.S.A. 12-6a26 *et seq.*, as amended from time to time (the "CID Act") for the purpose of financing certain economic development related projects. Under the CID Act, the owners of the land within the boundaries of a proposed CID may petition the City to request the creation of a CID and to impose an additional CID sales tax on the sale of tangible personal property at retail or the rendering or furnishing of services which are taxable within the boundaries of the CID District (as defined below) in order to pay for or reimburse the costs of a portion of a CID project.

C. On or about November 16, 2015, Developer submitted a CID Petition (the "CID Petition") to the UG requesting the formation of a CID encompassing all of the Project Site and certain portions of the Village West Shopping Center (the "CID District"), a legal description of which CID District is set forth on Exhibit B-1 and the boundaries of which are depicted on Exhibit B-2 attached hereto. The CID District is for certain eligible improvements as set forth in Article 4 below and more particularly identified on Exhibit E attached hereto. A copy of the CID Petition is attached hereto as Exhibit C.

D. On December __, 2015, the UG shall consider the creation of the CID District through the passage an ordinance (the "CID Ordinance") pursuant to the CID Act. As contemplated in the CID Petition, the CID Ordinance, if approved, would call for the imposition of a CID Sales Tax of 0.6% within the CID District to be collected and disbursed on a pay-as-you-go basis to reimburse certain CID Project Costs, and potentially through the issuance of bonds to pay for and/or reimburse certain CID Project Costs (as defined in Section 4.1 below) relating to the CID District. The CID Ordinance would also specify that the CID Sales Tax is to commence on January 1, 2016. The CID Ordinance, if approved, shall subsequently be attached hereto as Exhibit D.

E. In connection with the Project, Developer has also requested industrial revenue bond ("IRB") financing in order to pay certain project costs pursuant to K.S.A. 12-1741 *et seq.* Pursuant to the terms and conditions set forth in Article 5 below, the parties hereby agree that Developer may use IRB financing to obtain an exemption on sales taxes for construction materials for the Project and to agree on a ten (10) year, 100% payment-in-lieu-of-tax ("PILOT") schedule as described more particularly in Article 5 below.

F. The UG recognizes that Wyandotte County's consumer demand for luxury rental living units is currently underserved by the existing inventory, particularly in western Wyandotte County, and the lack of sufficient high-end living units causes many people who work and play in Wyandotte County to live

outside Wyandotte County, which limits the County's ability to capitalize on the opportunity to attract residents to the County from other parts of the Kansas City metropolitan area.

G. Development of the Project should attract new residents to the community, help provide convenient parking in Village West and otherwise stimulate the economy of Wyandotte County through additional real property taxes, sales taxes, and other indirect spending at other nearby businesses when residents visit the surrounding businesses, and provide a work force for Wyandotte County employers, all of which would promote the public good, health, and welfare within Wyandotte County.

H. The Parties agree that the Project is not financially feasible without the public-private partnership as set forth in this Agreement, and therefore the Parties wish to enter into this Agreement to provide the necessary financing for the Project.

AGREEMENT

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the UG and Developer hereby agree as follows:

ARTICLE 1 DEFINITIONS AND INTERPRETATION

1.1 Interpretation. In this Agreement, unless a clear contrary intention appears:

- (a) the singular number includes the plural number and vice versa;
- (b) reference to any Person includes such Person's successors and assigns but, if applicable, only if such successors and assigns are permitted by this Agreement, and reference to a Person in a particular capacity excludes such Person in any other capacity or individually;
- (c) reference to any gender includes each other gender;
- (d) reference to any agreement, document or instrument means such agreement, document or instrument as amended or modified and in effect from time to time in accordance with the terms thereof;
- (e) reference in this Agreement to any article, section, appendix, annex, schedule or exhibit means such article or section thereof or appendix, annex, schedule or exhibit thereto;
- (f) each of the items or agreements identified on the attached Index of Exhibits are deemed part of this Agreement to the same extent as if set forth herein;
- (g) "hereunder", "hereof", "hereto" and words of similar import shall be deemed references to this Agreement as a whole and not to any particular article, section or other provision thereof;
- (h) "including" (and with correlative meaning "include") means including without limiting the generality of any description preceding such term; and
- (i) relative to the determination of any period of time, "from" means "from and including" and "to" means "to but excluding."

1.2 Accounting Terms. Unless expressly otherwise provided, accounting terms shall be construed and interpreted, and accounting determination and computations shall be made, in accordance with GAAP.

1.3 Legal Representation of the Parties. This Agreement was negotiated by the parties hereto with the benefit of legal representation and any rules of construction or interpretation otherwise requiring this Agreement to be construed or interpreted against any party shall not apply to any construction or interpretation hereof or thereof.

1.4 Definitions. All capitalized terms used in this Agreement shall have the meanings ascribed to them in Annex 1 attached hereto and made a part hereof, or as otherwise provided herein.

ARTICLE 2 THE PROJECT

2.1 Undertaking of Developer. Developer hereby agrees, subject to the terms and conditions hereinafter provided, to develop, construct, complete, and operate the Project. The performance of all activities by Developer hereunder shall not be as an agent of the UG, except as otherwise specifically provided herein.

2.2 Development of the Project Site. The UG and Developer hereby agree that the Project shall be as described below. Developer hereby contemplates that the building, parking structure and other improvements constituting the Project, as specifically described in this Section 2.2 (the "Improvements"), shall be developed, constructed, completed, and operated on the site in substantial accordance and compliance with the terms and conditions of this Section 2.2 and the final site plan approval from the UG's Planning Commission (the "Development Plan"). On and subject to the terms and provisions set forth in this Agreement, Developer shall have the sole right to, and shall be responsible for, design, construction, equipment and completion of the Improvements, and shall operate and use the Improvements in the manner described herein, all in accordance with the terms of this Section 2.2 and all other Applicable Laws and Requirements. The parties further agree as follows:

(a) The Project shall be designed, developed and constructed as a first-class luxury apartment building and shall, at minimum, include the following Improvements: (i) a high-end apartment building, of the same or better quality than other apartments in the immediate vicinity as of the Effective Date, and the Project shall initially be marketed and offered at renting for a blended rate in excess of \$1.15 per square foot, and consisting of no less than two hundred forty (240) total units, and (ii) a high-quality landscaped entry.

(b) Project amenities shall also include: (i) in unit washer/dryer, refrigerator, oven/range, and microwave (ii) an elevator-serviced building with secure access and conditioned interior corridors, (iii) health and fitness facilities, common outdoor grills and patio space, and (iv) swimming pool and landscape/hardscape features.

(c) The Project shall include a three-level structured parking facility with no less than six hundred (600) total parking spaces (the "Parking Improvements"), which shall include at least three hundred fifty (350) public parking spaces (the "Public Parking"), and the remaining approximately two hundred fifty (250) parking spaces to reflect one (1) dedicated space for each apartment unit in the apartment building, which Parking Improvements shall be owned, maintained and operated by the Developer, but the Public Parking shall provide public parking at no charge during the Term of this Agreement for patrons of the various retail, entertainment and sports venues within Village West (the "Village West Patrons"). Although the Public Parking

will be available to entertainment and sports venues within Village West, the UG hereby agrees that neither the UG, nor the owners or representatives of such entertainment and/or sports venues will, by or through the UG, advertise, promote or otherwise direct its patrons to park in the Public Parking during any entertainment or sports events. Further, the UG hereby agrees that the UG will not specifically authorize such retail, entertainment and/or sports venues to advertise, promote or otherwise direct its patrons to parking in the Public Parking during any such retail, entertainment or sports events.

(d) Developer hereby also agrees to design, construct and complete a vehicular bridge to connect the Parking Improvements required for this Project with the adjacent parking structure (the "Village West Garage"). Further, the parties understand and agree that Village West Garage is currently owned by the UG and operated by KKR Legends, LLC [an Affiliate of Developer and the owner of the Legends Outlets Shopping Center (the "Legends Owner")], pursuant to that certain License and Management Agreement dated February 25, 2005, as amended from time to time (the "Garage Management Agreement"). The UG hereby agrees to transfer the Village West Garage to the Legends Owner for \$1.00, which transfer shall otherwise be in accordance with the terms of Section 21 of the Garage Management Agreement, and will be completed on or before November 30, 2015 or such other date mutually agreed to by the parties thereto. Upon such transfer, the parties hereby agree that the Garage Management Agreement shall be terminated. The owner of the Village West Garage may restrict parking in such Village West Garage, or charge for parking therein.

(e) Developer hereby agrees to construct and complete (the sidewalks, curbs along Stadium Parkway and ADA ramps at each curb cut as required by Applicable Laws and Requirements and as specifically identified on Exhibit J attached hereto; and Developer shall use commercially reasonable efforts to get the ground lessee of Lot 34 (which is currently ground leased and operated as a Residence Inn) to agree and consent to the construction of the sidewalk and related curbs within such Lot 34. However if the ground lessee of such Lot 34 does not agree and consent to the construction of the sidewalk and related curbs within Lot 34, despite Developer's commercially reasonable efforts, then Developer shall be entitled to build and construct the same on the South side of Stadium Parkway on property owned and controlled by Developer's affiliate to satisfy the requirements of this subsection (e). In the event that Developer does not construct such sidewalks, curbs and other improvements required herein (on either the South or North side of Stadium Parkway), then the CID Cap shall be automatically reduced by an amount equal to Five Hundred Thousand and No/100 Dollars (\$500,000) and the total CID Cap shall thereafter be Thirteen Million Five Hundred Thousand Dollars (\$13,500,000).

(f) Developer recognizes, stipulates and agrees that its signage shall be subject to all Applicable Laws and Regulations, and any special use permits granted by the UG's Planning and Zoning Board. The UG hereby agrees that it will, to the extent possible, expedite the consideration of Developer's proposed signage and cooperate with Developer to reasonably accommodate Developer's signage requirements.

(g) Developer's plans for landscaping on the Project Site shall be considered in accordance with all Applicable Laws and Regulations and approval thereof by the UG will not be unreasonably withheld.

(h) Developer's design, development and construction of the Improvements shall in all respects comply with the Plans and Specifications (as defined in Section 6.2).

(i) The Project described in this Section 2.2 shall not be amended or modified without (i) the prior written consent of the UG, which consent shall not be unreasonably withheld, and (ii) full compliance with all Applicable Laws and Regulations.

2.3 General Agreements. Developer agrees to promptly and completely perform each and all of its duties and obligations under this Agreement and the other Transaction Documents. The UG agrees to promptly and completely perform each and all of its duties and obligations under this Agreement and the other Transaction Documents.

ARTICLE 3 CONDITIONS

3.1 Conditions. The delivery to Developer of any Public Financing contemplated under the terms of this Agreement shall be subject to the following conditions precedent (the "Public Financing Conditions"):

(a) Developer shall have obtained preliminary site plan and final plan approval for the Parking Improvements and any other required approvals for the Parking Improvements as required by all Applicable Laws and Requirements; provided, however, the preliminary site plan and final plan approval for the Parking Garage shall not be a condition for the issuance of CID Bonds;

(b) Developer shall provide the UG with a loan commitment or similar proof of funds to construct the Project;

(c) The governing body of the UG shall have approved the CID by approval of the CID Ordinance as described in Recital D above; and

(d) The governing body of the UG shall have approved a Resolution of Intent for the IRB Financing described in Section 5.1 below.

3.2 Termination. In the event that Developer fails to meet the conditions set forth in Section 3.1 above on or prior to October 31, 2016, then either party hereto shall have the right to terminate this Agreement, but such failure shall not be an event of default hereunder. In the event CID Bonds cannot be issued by July 31, 2016, then Developer shall have the right to terminate this Agreement. Upon any such termination of this Agreement, (i) this Agreement shall terminate, and (ii) except as specifically set forth herein, the parties hereto shall have no further duty, obligation, or liability each to the other hereunder, and without limiting the generality of the foregoing, Developer shall be solely liable and responsible for all of its costs and expenses incurred by it with respect to this Agreement and the transactions contemplated hereby, and except for the fees and expenses of the UG to be paid for by Developer pursuant to that certain Funding Agreement dated as of May 12, 2015, as amended, and the provisions of this Agreement, the UG shall be solely liable and responsible for all costs and expenses incurred by it with respect to this Agreement and the transactions contemplated hereby.

3.3 Satisfaction of Conditions. Upon satisfaction of the Public Financing Conditions set forth in Section 3.1 above, the UG shall, at the request of Developer, issue a certificate or a letter confirming and agreeing the Public Financing Conditions have been fully satisfied for purposes of this Agreement, and the parties agree that such Public Financing Conditions shall be deemed to be fully satisfied for all purposes of this Agreement thereafter.

ARTICLE 4
FINANCING — SOURCE OF FUNDS –
COMMUNITY IMPROVEMENT DISTRICT

4.1 Public Financing; Source of Funds. Reference is hereby made to the CID Project Costs and the Total Project Budget attached and estimated hereto as Exhibit E, and by this reference made a part hereof. The Project will be funded by Developer's private equity and debt, CID Financing (as defined below) and funds provided by various third parties. Subject to the terms and conditions of this Agreement, a portion of the Improvements which are eligible for reimbursement under the CID Act (the "CID Improvements") shall be funded and/or reimbursed in whole or in part by the CID Financing from CID Proceeds (as defined below).

4.2 CID Sales Tax. The UG hereby agrees that the CID Improvements will be reimbursed with CID Financing, consisting of financing repayable from revenues received from the imposition of a CID sales tax in the amount of 0.6% on the sale of tangible personal property at retail or the rendering or furnishing of services which are taxable pursuant to the Kansas Retailers' Sales Tax Act (K.S.A. 79-3601 *et seq.*), as amended, within the CID District (the "CID Sales Tax"). The Developer agrees to provide to the Kansas Department of Revenue (the "DOR") a list of tenants within the CID District within the timeframes required by the DOR, so that the DOR can notify tenants within the CID District of their requirement to collect a CID Sales Tax beginning on that certain date which is set forth in Recital D of this Agreement. At the time the list of tenants is provided to the DOR, the Developer shall also provide a copy to the UG.

4.3 CID Proceeds. During the Term, all proceeds from the CID Sales Tax (the "CID Proceeds") generated within the CID District and received by the UG from DOR shall be deposited into either the CID Sales Tax Fund or the CID Bond Revenue Fund, both of which shall be established and administered by the UG in compliance with the CID Act, this Agreement and all other Applicable Laws and Requirements. Any net financing generated through Pay-As-You-Go CID Financing or CID Bonds and used to reimburse or pay CID Project Costs shall be referred to herein as CID Financing ("CID Financing").

4.4 Pay-As-You-Go CID Financing. Except as set forth in connection with CID Bonds as set forth in Section 4.5 below, the parties hereby agree that the proceeds from the CID Sales Tax shall be disbursed by the UG quarterly from the CID Sales Tax Fund on a pay-as-you-go basis ("Pay-As-You-Go CID Financing"), to reimburse Developer for CID Project Costs, if and to the extent that (i) there are CID Proceeds in the CID Sales Tax Fund, (ii) Developer has fully satisfied all of the conditions set forth in Section 4.4(e) hereof, (iii) the Term has not yet expired, and (iv) Developer has not already been reimbursed for CID Project Costs in an amount equal to the CID Cap (as defined below), and Developer is not in default under the terms and conditions of this Agreement beyond all notice and cure periods provided herein. The parties further agree as follows:

(a) The CID Proceeds available to Developer for reimbursement of CID Project Costs, through Pay-As-You-Go CID Financing and/or any CID Bonds, shall in no event exceed \$14,000,000 (the "CID Cap"). The CID Cap shall, for all purposes set forth herein, operate as a cap on the use of CID Sales Tax for reimbursement of any and all CID Project Costs and such CID Cap shall not include and shall be net of: (i) any Construction Period Interest (defined below), (ii) costs of issuance of any notes or bonds and (iii) interest on CID Project Costs pursuant to any notes or bonds. Once Developer has received an amount equal to the CID Cap for reimbursement of CID Project Costs through Pay-As-You-Go CID Financing or other CID Financing and any CID Bonds have been repaid, the parties understand and agree that the CID shall thereafter terminate, and the CID Sales Tax shall terminate and no longer be levied or collected within the CID District. For the purposes of this Agreement, "Construction Period

Interest” shall be defined as the interest accrued on money borrowed to pay for CID Project Costs during the period of the construction of the CID Improvements, in accordance with K.S.A. § 12-6a27(f).

(b) The CID Sales Tax shall be collected within the CID District for a period that commences on the date that the CID Sales Tax is first imposed within the CID District up to and concluding upon that date which is the earlier of the following: (i) the date that Developer has been reimbursed for all CID Project Costs by Pay-As-You-Go CID Financing or other CID Financing (up to the CID Cap) and any CID Bonds have been repaid, or (ii) regardless of whether the Developer has been fully reimbursed for all CID Project Costs, that date which is twenty two (22) years from the date that the CID Sales Tax is first imposed (the "CID Collection Period"). At the end of the CID Collection Period, the parties understand and agree that the CID shall thereafter terminate, and the CID Sales Tax shall terminate and no longer be levied or collected within the District.

(c) Developer shall not receive any reimbursements from Pay-As-You-Go CID Financing unless and until the conditions precedent set forth in Section 4.4(e) have been fully satisfied as determined by the UG in its sole reasonable discretion.

(d) Developer may pledge its interest in the CID Proceeds to a lender, subject to a collateral assignment agreement which is in substantially the same form attached hereto as Exhibit K or such other form required by Developer's lender, as mutually agreed upon by Developer, UG and Developer's lender, acting in a commercially reasonable manner.

(e) Conditions Precedent to Reimbursements from Pay-As-You-Go CID Financing. Developer hereby understands and agrees that it shall not receive any reimbursements for CID Project Costs from Pay-As-You-Go CID Financing unless and until the conditions precedent set forth below have been fully satisfied as determined by UG in its sole reasonable discretion:

(i) The UG has approved Certificates of Expenditure for such CID Project Costs related to the particular reimbursement request; and

(ii) There shall be a retainage equal to 10% of hard costs for the construction of the Parking Garage; provided such 10% retainage shall be released from the CID Sales Tax Fund upon Substantial Completion of the Parking Garage. Such retainage shall be released by the UG in accordance with the terms and conditions of each applicable contract or subcontract related to the construction of the Parking Garage.

4.5 CID Bonds. It is contemplated by the parties that a portion of the CID Project Costs may be funded by CID bonds or notes (the "CID Bonds") which are issued by the UG based on a pledge of CID Proceeds. It is further contemplated that unaffiliated parties would purchase CID Bonds in an amount which would yield net CID Bond Proceeds equal to the CID Cap; provided such CID Cap shall not include and shall be net of any Construction Period Interest (as defined in Section 4.4(a) above) or costs of issuance and interest of any CID Bond. The balance of the CID Project Costs shall, subject to the conditions and limitations set forth herein, be paid with CID Bonds issued to affiliated parties or with Pay-As-You-Go CID Financing up to the remaining amount of the CID Cap; provided such CID Cap shall not include and shall be net of any Construction Period Interest (as defined in Section 4.4(a) above) or costs of issuance and interest of any CID Bonds. The interest on CID Bonds issued to affiliated parties shall be a rate equal to the lesser of (i) the actual interest rate paid by Developer in connection with debt financing for the Project or (ii) three hundred (300) basis points over the Prime Rate.

(a) CID Bond Revenue Fund. When and if CID Bonds are issued by the UG for the Project, the CID Sales Tax from the District shall be deposited into a fund which shall be created and administered by the UG or its designee and which will be described and defined in the Bond Documents and which, for purposes of this Agreement shall be referred to as the "CID Bond Revenue Fund". The CID Sales Tax in the CID Bond Revenue Fund will be utilized to first pay principal and interest payments required under CID Bonds at such times as such payments may be required under the Bond Documents. The specifics of the issuance and repayment of the CID Bonds for the Project shall be in accordance with the Bond Documents, to be approved by ordinance of the UG, in accordance with this Agreement. The net CID Bond Proceeds shall be disbursed by the Bond Trustee for the purpose of funding or reimbursing the Developer for the CID Project Costs in accordance with the terms of this Agreement and the Bond Documents. Disbursements from the CID Bond Revenue Fund shall be as provided in the Bond Documents.

(b) Conditions Precedent to Payment or Reimbursement from CID Bond Proceeds. Developer hereby understands and agrees that it shall not receive any reimbursements for CID Project Costs from CID Bonds unless and until the conditions precedent set forth below have been fully satisfied as determined by the UG in its sole reasonable discretion.

(i) The UG has approved Certificates of Expenditure for such CID Project Costs related to the particular reimbursement request; and

(ii) There shall be a retainage equal to 10% of hard costs for the construction of the Parking Garage; provided such 10% retainage shall not be released by the Bond Trustee until Substantial Completion of the Parking Garage. Such retainage shall be authorized to be released by the UG in accordance with the terms and conditions of each applicable contract or subcontract related to the construction of the Parking Garage.

(d) Conditions Precedent to CID Bond Issuance. The issuance of the CID Bonds shall be subject to Developer complying with the terms of this Agreement and fully satisfying each of the following conditions:

(i) The Developer provides such documentation to the UG as required by the Underwriter to reasonably demonstrate that the revenues generated within the District (and/or Project Site) are sufficient to pay debt service on the CID Bonds with a coverage factor that the Underwriter determines is necessary and that is agreed to by the Developer and the UG.

(ii) The Underwriter shall hold the CID Bonds in its own account or be responsible for marketing and selling the CID Bonds, and the UG shall be under no obligation to issue CID Bonds if such CID Bonds are not marketable after reasonable effort by the Underwriter. Notwithstanding the foregoing, if the Underwriter determines that the CID Bonds are not marketable after a reasonable effort by such Underwriter, the Developer shall have a right to request that the CID Bonds be marketed thereafter with an alternative Underwriter that is reasonably approved by the UG and Developer and upon terms and conditions that are reasonably approved by the UG and Developer.

(iii) The Kansas Attorney General approves the transcript of proceedings relating to the Bonds as required by K.S.A. 10-108.

(iv) Bond counsel for the UG provides to the UG an opinion to the effect that the Bonds have been validly issued under Kansas law and, if applicable, the interest on the CID Bonds is exempt from Kansas and federal income taxation, subject to the standard exceptions.

(e) Other Provisions Regarding CID Bonds. The following provisions shall also be applicable to the CID Bonds hereunder which are issued by the UG:

(i) The Underwriter for any CID Bonds shall be selected by the UG. The UG shall solicit input from Developer as it relates to the Underwriter selected and all components of the issuance of CID Bonds in an effort to maximize the size of the issuance, but the UG shall have the sole right, power and authority to determine the amount, terms, interest rate or rates and other terms and conditions of the CID Bonds.

(ii) The UG shall not in any way guaranty or lend its credit to secure the CID Bonds.

(iii) Developer and the UG agree that they will comply with all reasonable requirements including any statutory requirements, associated with the issuance, sale, purchase and delivery of any CID Bonds.

(iv) Further, Developer understands and agrees that the UG cannot bind the governing body of the UG regarding the authorization, issuance, sale or delivery of CID Bonds and that nothing contained herein shall in any way bind the UG's Commission to accept or reject any proposal to authorize, issue, sell or deliver CID Bonds, which decision shall unconditionally remain within the sole discretion of such Commission.

(v) Notwithstanding the foregoing, or any other provisions of this Agreement to the contrary, in no event, including but not limited to any event of default by Developer, shall the UG have any right to terminate, restrict, or withhold any payments from the owners or bondholders of the CID Bonds issued pursuant to this Agreement; provided however, that it is hereby expressly agreed that the UG may withhold the authorization for distribution of certain bond proceeds from the bond project fund as specifically set forth in Section 4.5(b)(ii).

(vi) The UG bond origination fee for the CID Bonds shall be as provided by UG Ordinance O-15-01.

4.6 Payment of CID Administrative Fee. A portion of CID Sales Taxes from the CID District shall be used to pay an administrative fee in an amount equal to 1.0% of the CID Proceeds collected in that same period (the "CID Administrative Fee"), and Developer hereby understands and agrees that such CID Administrative Fee shall be withheld by the UG prior to depositing the balance of the CID Proceeds to the CID Sales Tax Fund or the CID Bond Revenue Fund.

4.7 Certificate of Expenditures. In connection with the CID Project Costs for the CID Improvements, Developer shall certify all costs and expenditures in accordance with the following:

(a) Developer shall submit to the UG a Certificate of Expenditure in the form attached hereto as Exhibit F setting forth the amount for which reimbursement is sought, and identification of the relevant CID Project Costs. Developer shall certify to the UG that it shall

only use the CID Financing for the designated CID Project Costs, as described in the Certificate of Expenditure.

(b) Each Certificate of Expenditure shall be accompanied by such bills, contracts, invoices, lien waivers and other evidence as the UG shall reasonably require to document appropriate payment and shall include an overall cost summary, as well as a cost summary for each division of work (i.e., grading, erosion control, roadway, sanitary sewer and storm sewer).

(c) Each Certificate of Expenditure shall be accompanied by a report regarding any LBE/MBE/WBE participation associated with the costs requested for payment or reimbursement in the Certificate of Expenditure.

(d) The UG reserves the right to have its engineer, staff or other agents or employees inspect all work in respect of which a Certificate of Expenditure is submitted, to examine Developer's records relating to all CID Project Costs to be paid, and to obtain from such parties such other information as is reasonably necessary for the UG to evaluate compliance with the terms hereof. Developer hereby agrees to pay all actual and verifiable third-party expenses incurred by the UG pursuant to this subsection (c), which third-party expenses shall not exceed \$35,000; provided the parties hereby agree to increase such cap to \$50,000 if the UG employs a separate third party consultant to provide the services necessary to review and approve the Certificate of Expenditures required under subsection (d) below.

(e) The UG shall have forty-five (45) calendar days after receipt of any Certificate of Expenditure to review and respond by written notice to Developer. If the submitted documentation demonstrates that: (1) costs described in the Certificate of Expenditure directly relates to CID Project Costs and are appropriate CID Project Costs; (2) the expense was, in fact, incurred by Developer; (3) Developer is not in default under this Agreement; and (4) there is no fraud on the part of Developer, then the UG shall approve the Certificate of Expenditure and reimburse Developer for financing the cost of the CID Improvements within ten (10) days following the UG's approval of the Certificate of Expenditure, pursuant to the terms of this Agreement. If the UG reasonably disapproves of the Certificate of Expenditure, the UG shall notify Developer in writing of the reason(s) for such disapproval within such ten (10) day period. Approval of a Certificate of Expenditure will not be unreasonably withheld.

(e) During the Term, the Developer shall endeavor to submit Certificates of Expenditure for those expenditures made in connection with the CID Improvements on a monthly basis.

4.8 Line Items. Developer hereby agrees that (a) no more than \$750,000 of the CID Financing will be used for sidewalks, signage, connectivity between the Project and existing adjacent improvements and off-site improvements, and (b) the remaining \$13,250,000 of CID Financing [along with any unused amounts from subsection 4.8(a)] shall be used only to pay for the hard construction costs and reasonable soft costs related to the design, construction and completion of the Parking Improvements. Except as set forth in the prior sentence no portion of the CID Financing may be reallocated to other portions of the Project Budget unless and until Developer has received the prior approval of the UG, which approval may be withheld in the UG's sole and absolute discretion.

ARTICLE 5

INDUSTRIAL REVENUE BONDS – PILOT PAYMENTS

5.1 Industrial Revenue Bonds. Developer has requested industrial revenue bond ("IRB") financing in order to pay certain project costs pursuant to K.S.A. 12-1741 *et. seq.* Subject to all Applicable Laws and Requirements and subject further to compliance by Developer with all of the UG's requirements for the issuance of IRBs, the parties hereby agree that Developer may use IRB financing to obtain an exemption on sales taxes for construction materials for the Project. However, the parties hereby understand and agree that IRB financing shall not be used for abatement of ad valorem taxes for the Project or the Project Site, subject to the terms set forth in this Section 5.1 below.

The parties hereby understand and agree that the IRBs shall be issued on a date as mutually agreed and shall mature and be redeemed ten (10) years after such issuance, and that during the term of the IRBs, Developer shall pay a 100% payment-in-lieu-of-tax ("PILOT") pursuant to the schedule attached hereto as Exhibit G. The parties acknowledge that the PILOT was determined based on a projected per unit value of \$58,000 with an assumed two hundred fifty (250) units. If the ultimate number of units in the Project shall be greater than or less than two hundred fifty (250), then the amount of the PILOT payment shall necessarily increase based on the per unit value of \$58,000. Additionally, the parties hereby understand and agree that the amount of the PILOT for years two (2) through ten (10) of the IRB term shall be increased in accordance with Exhibit G based on whether or not the Developer fully complies with the terms and conditions of Section 8.2 (LBE/MBE/WBE Employment Opportunity Goals) hereof, with respect to the Improvements.

ARTICLE 6

CONSTRUCTION OF IMPROVEMENTS AND INFRASTRUCTURE IMPROVEMENTS

6.1 Architect. Developer shall select such architects, engineers and other design professionals and consultants as are necessary to provide construction documents and construction oversight services for the Improvements. All agreements respecting architectural and engineering services shall be between Developer and such Persons, and a copy of each such agreement shall be timely provided to the UG upon a request for the same.

6.2 Design and Plans and Specifications. Developer shall, as soon as practicable, provide the UG with plans and specifications for the Improvements, and the UG shall provide Developer with the plans and specifications for the Public Infrastructure Improvements (collectively, the "Plans and Specifications"), which Plans and Specifications shall include cost estimates for the Improvements, the design of which shall be compatible with the Development Plan, and all Applicable Laws and Requirements. Developer recognizes, stipulates and agrees that the Plans and Specifications will be presented to and subject to approval by the appropriate Government Authorities. Without the prior written approval of the appropriate Government Authorities, there shall be no Material Changes to the Plans and Specifications subsequent to the initial approval.

6.3 General Contractor and Construction Documents. Developer shall select a general contractor (the "General Contractor") for the Public Infrastructure Improvements. Developer represents that its construction documents relative to the Improvements (the "Construction Documents") will require and provide for (a) the design, development, construction, equipping and completion of the Improvements in accordance with the Development Plan, the Plans and Specifications and all Applicable Laws and Requirements, (b) a guaranteed maximum price, (c) guaranteed Substantial Completion not later than the Completion Date (with liquidated damages for failure), subject to Force Majeure, and (d) surety of performance and labor and material payment bonds in the full amount of the Construction Documents. Developer shall, as soon as practicable, provide the UG with a copy of the Construction Documents.

6.4 Changes or Amendments. Developer shall promptly deliver to the UG copies of all change orders or other changes or amendments to the Construction Documents. Developer agrees with the UG that (a) it

will perform its duties and obligations under the Construction Documents and (b) enforce the obligations of all other parties thereunder.

6.5 Responsibility for Design and Construction. Developer shall, subject to the terms of this Agreement and the Development Plan, have the sole right, and the responsibility, to design, manage, operate and construct the Project. Developer shall receive no separate fee from the UG for acting as construction manager or developer of the Project.

6.6 Permits and Reviews. Developer hereby recognizes, stipulates and agrees (a) that in the design, construction, completion, use or operation of the Improvements and Public Infrastructure Improvements, Developer, or its General Contractor, shall procure and pay for any and all permits, licenses or other forms of authorizations that are, from time to time, required, and (b) that nothing herein shall be construed as any release by the UG of the responsibility of Developer to comply with, and satisfy the requirements of, all Applicable Laws and Requirements.

The UG agrees to consider and act on any zoning, planning and platting applications by the Developer in due course and good faith. The UG shall cooperate with and provide all usual assistance to the Developer in securing necessary permits and approvals, and shall diligently process, review and consider all such permits and approvals as may be required by law.

6.7 Periodic Meetings with Developer. From the Effective Date until Substantial Completion of the Improvements, Developer hereby agrees to meet with the UG at such intervals as Developer, the UG and any such designee of the UG shall mutually agree or reasonably request, and not more frequently than monthly, to review and discuss the design, development and construction of the Improvements and the Project.

6.8 Completion Date. Developer hereby agrees that, subject only to Force Majeure, Developer shall Substantially Complete construction of the Project, including all of the amenities described in Section 2.2 above on or before April 30, 2018.

ARTICLE 7 USE AND OPERATION

7.1 Term. The Term of this Agreement shall commence on the Effective Date and shall expire on that date which is the later of (a) twenty-two (22) years after the Effective Date, or (b) the last day of the CID Collection Period (the "Term").

7.2 Use and Operation.

(a) Developer covenants that at all times during the Term, it will, at its expense:

(i) Use the Project only for the Permitted Uses.

(ii) Conduct its business at all times in a dignified quality manner and in conformity with the first-class industry standards and in such manner as to help establish and maintain a high reputation for the Project.

7.3 Development Plan. During the Term, Developer agrees that it shall perform and comply with each and all of the terms and provisions of the Development Plan and not suffer or permit any default or breach of any such terms or provisions of the Development Plan.

7.4 Maintenance and Use. During the Term, Developer shall cause the Project, and all parts thereof, the Site and all other of its property used or useful in the conduct of its business and operations on the Site, to be maintained, preserved and kept in good repair and working order and in a safe condition, consistent at all times with other parking facilities and first-class apartment space in the greater metropolitan Kansas City area, and will make all repairs, renewals, replacements and improvements necessary for the safe, efficient, and advantageous conduct of its business and operations on the Project Site. Developer may make additions, alterations and changes to the Project so long as such additions, alterations and changes are made in compliance with all Applicable Laws and Requirements and the Development Plan, and as long as the same do not materially adversely affect Developer's ability to perform its obligations under this Agreement. Developer agrees to set aside on its books such reasonable reserves for future maintenance and capital expenditures.

7.5 Compliance. Developer shall conduct its affairs and carry on its business and operations in such a manner as to comply with all Applicable Laws and Requirements, and to observe and conform to all valid orders, regulations or requirements (including, but not limited to, those relating to safety and health) of any Government Authorities applicable to the conduct of its business and operations and the ownership of the Project; provided, however, that nothing contained in this Agreement shall require Developer to comply with, observe and conform to any such law, order, regulation or requirement of any Government Authorities so long as the validity thereof shall be contested by Developer in good faith by appropriate proceedings, and provided that Developer shall have set aside on its books adequate reserves in accordance with GAAP or secured adequate bonding with respect to such contest and such contest shall not materially impair the ability of Developer to meet its obligations under this Agreement. Developer agrees to promptly pay any and all fees and expenses associated with any safety, health or other inspections required under this Agreement or imposed by Applicable Law and Requirements, unless contested in good faith with the assurances provided in the preceding sentence.

7.6 Payment of Taxes and Other Charges. During the Term, Developer shall pay or cause to be paid as they become due and payable all taxes, assessments and other governmental charges lawfully levied or assessed or imposed upon Developer or the Project or any part thereof or upon any income therefrom, including, but not limited to, any taxes, assessments, PILOTS or other governmental charges levied, assessed or imposed on the Project, the Project Site, and/or the Improvements. After the retirement of the IRBs and payment of all of the PILOTS set forth on Exhibit G attached hereto, then nothing herein shall be deemed to prohibit the Developer from contesting the validity or amounts of any tax, assessment, encumbrance or lien, nor to limit the remedies available to the Developer in respect thereto. Ad valorem property taxes shall be due in arrears, with half due on December 20th and half due on May 10th of each year in which said amount is required to be paid, and will be considered delinquent if not paid by such dates of each such year or as otherwise determined by Applicable Law and Requirements. The obligation to make said ad valorem property tax payments shall be a covenant running with the land and shall create a lien in favor of the UG on each such tax parcel as constituted from time to time and shall be enforceable against Developer and its successors and assigns in ownership of property on the Site. Additionally, Developer hereby understands and agrees that if Developer shall fail to timely pay its ad valorem property taxes as set forth herein, then Developer's access to the IRB Financing and reimbursement of CID Project Costs from any Pay-As-You-Go CID Financing shall be suspended by the UG until such taxes are paid in full, at which point such right to be reimbursed will be reinstated and any funds suspended by the UG hereunder will be released and disbursed to Developer in accordance with this Agreement.

7.7 Payment of Obligations. During the Term, Developer shall promptly pay or otherwise satisfy and discharge all of its obligations and all demands and claims against it as and when the same become due and payable, unless the validity, amount or collectability thereof is being contested in good faith or unless the failure to comply or contest would not materially impair its ability to perform its obligations under this Agreement nor subject any material part of the Project to loss or forfeiture.

7.8 Liens and Encumbrances. During the Term, Developer shall not create or incur or permit to be created or incurred or to exist any lien, or encumbrance upon the Project, or any part thereof, and shall promptly cause to be discharged, challenged or terminated all liens and encumbrances unless the validity, amount or collectability thereof is being contested in good faith or unless the failure to comply or contest would not materially impair its ability to perform its obligations under this Agreement nor subject any material part of the Project to loss or forfeiture.

7.9 Licenses and Permits. During the Term, Developer shall procure and maintain all licenses and permits, and allow all inspections and/or investigations required by Applicable Laws and Requirements or otherwise necessary in the operation of its business and affairs in, on or about the Project.

7.10 Insurance. During the Term, Developer shall maintain or cause to be maintained insurance with respect to the Project and operations covering such risks that are of an insurable nature and of the character customarily insured against by organizations operating similar properties and engaged in similar operations (including but not limited to property and casualty, worker's compensation, general liability and employee dishonesty) and in such amounts as, in the reasonable judgment of the UG, are adequate to protect Developer, the UG and the Project, but in no event in an amount less than that required by the Insurance Specifications attached hereto as Exhibit H, and made a part hereof, or as otherwise required by the terms of the Transaction Documents. Each policy or other contract for such insurance shall (i) name the UG as an additional insured (with respect to liability insurance), and (ii) contain an agreement by the insurer that, notwithstanding any right of cancellation reserved to such insurer, such policy or contract shall continue in force for at least thirty (30) days after written notice of cancellation to Developer and the UG. The rights of the UG to any insurance proceeds shall be subject and subordinate to the rights of any lender on the Project, except as set forth in Section 7.11 below.

7.11 Damage, Destruction or Condemnation.

(a) In the event of damage to or destruction of any portion of the Improvements resulting from fire or other Casualty during the Term, or in the event any portion of the Improvements is condemned or taken for any public or quasi-public use or title thereto is found to be deficient during the Term, the net proceeds of any insurance relating to such damage or destruction, the net proceeds of such condemnation or taking or the net proceeds of any realization on title insurance shall be paid into, and used in accordance with a construction escrow agreement for restoration, repair and/or replacement of the Project which is satisfactory to the UG, Developer and Developer's lender ("Casualty Escrow").

(b) If at any time during the Term, title to the whole or substantially all of the Improvements shall be taken in condemnation proceedings or by right of eminent domain, Developer, at its sole discretion, may terminate this Agreement as of the date of such taking. For purposes of this Section 7.11(b), "substantially all of the Improvements" shall be deemed to have been taken if the UG and Developer, each acting reasonably and in good faith, determine that the untaken portion of the Project, including the Parking Improvements, cannot be practically and economically used by Developer for the purposes and at the times contemplated by this Agreement.

(c) In the event of condemnation of less than the whole or substantially all of the Improvements during the Term, Developer, at its sole cost and expense, shall commence and thereafter proceed as promptly as possible to repair, restore and replace the remaining part of the Project, as nearly as possible, to their former condition, and shall be entitled to draw upon the Casualty Escrow for payment of said costs

7.12 Indemnity. Developer shall pay and indemnify and save the UG and its governing body members, directors, officers, employees and agents harmless from and against all loss, liability, damage or expense arising out of (a) the acquisition of the Project Site, (b) the design, construction and completion of the Project by Developer, (c) the use or occupation of the Project by Developer or anyone acting by, through or under it, (d) damage or injury, actual or claimed, of whatsoever kind or character occurring after Closing, to persons or property occurring or allegedly occurring in, on or about the Project and (e) any breach, default or failure to perform by Developer under this Agreement. Developer shall also pay and indemnify and save the UG and its governing body members, directors, officers, employees and agents harmless of, from and against, all costs, reasonable counsel fees, expenses and liabilities incurred by them or by Developer in any action or proceeding brought by reason of any such claim, demand, expense, penalty or fine. If any action or proceeding is brought against the UG or its governing board members, directors, officers, employees or agents by reason of any such claim or demand, Developer, upon notice from the UG, covenants to resist and defend such action or proceeding on demand of the UG or its governing body members, directors, officers, employees or agents. Notwithstanding the foregoing, no party benefited by this indemnity shall be indemnified against liability for damage arising out of bodily injury to persons or damage to property caused by the said party's own respective willful and malicious acts or omissions or gross negligence. The foregoing covenants contained in this Section shall be deemed continuing covenants, representations and warranties for the benefit of the UG and any successors and assigns of the UG, and shall survive the termination, satisfaction or release of this Agreement, or any other instrument. Notwithstanding the above, upon the termination or assignment of this Agreement, the Developer will be released of its indemnification obligations under this Agreement arising after the time of such termination or assignment. Further, in the specific and limited case of an assignment pursuant to which the assignee assumes all obligations under this Agreement, including all of the indemnification obligations set forth herein, then the Developer shall be released from all indemnification obligations hereunder.

7.13 Prohibition on Sales, Etc. Prior to Substantial Completion of the Project and while any IRBs are outstanding, Developer will not, without the prior written consent of the UG, (a) assign, sell, lease, or otherwise transfer the Project Site, the Improvements or equipment that comprise the Project or any part thereof or any interest therein, (b) sell, merge with or transfer to another corporation substantially all of its assets, or (c) assign this Agreement to an unrelated third party (but transfers to Affiliates, as provided in the last paragraph of this Section 7.13 is permitted without UG approval). Any such assignment, sale, lease, mortgage, merger or other transfer prior to Substantial Completion of the Project which is consented to by the UG shall be an "Approved Assignment" and the assignee, purchaser, lessee, or transferee shall be an "Assignee." Prior to Substantial Completion of the Project and retirement of the IRBs, the forgoing consent shall not be unreasonably withheld by the County Administrator upon delivery to the County Administrator of the following information: (i) a third party accountant's prepared financial statement that indicates that the proposed Assignee and/or the Persons (or Affiliates) who own or control Developer have a net worth of at least \$40,000,000; (ii) a certification by the proposed Assignee that it has not been convicted of a felony; (iii) an Assignee-certified list of properties managed or controlled by the Assignee and/or the Persons (or Affiliates) who own or control the Assignee that indicates at least five (5) first-class multi-family developments which are comparable in scope to the Project or in the alternative to this requirement under this subsection (iii), a certification from Developer or its Affiliates that it will continue to maintain management control of the Property; and (iv) a fully-executed Assignment detailing that the Assignee has expressly assumed all of the obligations of the Developer under this Agreement. In the event that the County Administrator fails to respond to a proposed assignment, sale or other transfer as described above within fifteen (15) business days following the County Administrator's receipt of all of the information described in subsections (i) through (iv) above, then the UG's consent shall be deemed given. Notwithstanding the foregoing, the parties hereby agree as follows:

(a) Developer may, subject always to the terms of this Agreement, in the ordinary course of its business, but without the prior written approval of the UG, make leases of the residential units within the Project;

(b) Developer may grant a security interest to secure indebtedness to any construction or permanent lender; and

(c) Following Substantial Completion of the Project and retirement of the IRBs, Developer may freely assign this Agreement without UG consent, but upon written notice to the UG and pursuant to an assignment and assumption of Developer's rights and obligations hereunder.

Nothing herein shall prohibit (or require UG approval to allow) the Developer from forming additional development or ownership entities to joint venture with Legends Apartments Legacy, LLC for the purpose of business and/or income tax planning or for purposes of admitting a new member; provided that Legacy Development maintains management control of any new or restructured company. The Developer shall provide the UG written notice of any such restructuring within thirty (30) days following any such restructuring. Further, it is anticipated that any such new entity will be a joint venture where KKR and Legacy Development are members, either directly or indirectly, and a transfer to such new entity shall not require UG consent, but only written notice to the UG. Notwithstanding the above, upon the written assignment and assumption of this Agreement between the original Developer and such new KKR/Legacy Development entity (a copy of which shall be provided to the UG), the original Developer will be released of its obligations under this Agreement from and after the transfer date, and the new KKR/Legacy Development entity shall assume all obligations under this Agreement from and after such transfer date.

7.14 Access. During the Term, Developer hereby recognizes, acknowledges and agrees that the UG, and its duly authorized representatives and agents, shall have the right to enter the Project at reasonable times and upon reasonable notice (during normal construction hours during the period of construction), to substantiate compliance with this Agreement or, to the extent Developer has failed to cure any breach within applicable notice and cure periods, to cure any defaults under this Agreement. In exercising its rights hereunder, the UG shall use reasonable efforts to avoid unreasonable interference with the operation of the Project. Except as otherwise provided in this Agreement, the UG shall pay all costs it incurs under this provision. Nothing contained in this Section 7.14 shall restrict or impede the right of the UG to enter the Project pursuant to any Applicable Laws and Requirements. Except in the case of an emergency, prior to any such access, such representatives of the UG will check in with the on-site manager. Such representatives of the UG shall carry proper identification, shall use reasonable efforts to insure their own safety, and shall not interfere with any construction activity.

7.15 Environmental Matters. Developer hereby agrees that by Closing on the transactions contemplated by this Agreement, Developer shall assume responsibility for the costs of any remediation of any environmental conditions upon the Project Site. Further, Developer shall not store, locate, generate, produce, process, treat, transport, incorporate, discharge, emit, release, deposit or dispose of any Hazardous Substance in, upon, under, over or from the Project in violation of any Environmental Regulation; shall not permit any Hazardous Substance to be stored, located, generated, produced, processed, treated, transported, incorporated, discharged, emitted, released, deposited, disposed of or to escape therein, thereupon, thereunder, thereover or therefrom in violation of any Environmental Regulations; shall cause all Hazardous Substances to be properly removed therefrom and properly disposed of in accordance with all applicable Environmental Regulations; shall not install or permit to be installed any underground storage tank therein or thereunder in violation of any Environmental Regulation; and shall comply with all other Environmental Regulations which are applicable to the

Project. Developer shall indemnify the UG against, shall hold the UG harmless from, and shall reimburse the UG for, any and all claims, demands, judgments, penalties, fines, liabilities, costs, damages and expenses, including court costs and attorneys' fees incurred by the UG (prior to trial, at trial and on appeal) in any action against or involving the UG, resulting from any breach of the foregoing covenants or from the discovery of any Hazardous Substance, in, upon, under or over, or emanating from, the Project, whether or not Developer is responsible therefor, it being the intent of Developer and the UG that the UG shall have no liability or responsibility for damage or injury to human health, the environment or natural resources caused by, for abatement and/or clean-up of, or otherwise with respect to, Hazardous Substances, which arises subsequent to Closing. The foregoing covenants contained in this Section shall be deemed continuing covenants, representations and warranties for the benefit of the UG and any successors and assigns of the UG, and shall survive the termination, satisfaction or release of this Agreement, or any other instrument.

7.16 Power of the UG. Notwithstanding anything set forth herein to the contrary, no provision contained herein shall in any manner diminish or usurp the inherent rights and powers of the UG to act in its capacity as a public body. Further, nothing herein shall relieve Developer from complying with all Applicable Laws and Requirements.

ARTICLE 8 SPECIAL PROVISIONS

8.1 Special Agreements of Developer.

(a) Developer recognizes, stipulates and agrees that it will actively market and advertise the Project in the Kansas City Metropolitan area and regionally.

(b) During the Term, Developer agrees to actively participate in the civic, charitable, educational, philanthropic and economic development of the Kansas City, Kansas/Wyandotte County community in activities of its choice. Without limiting the generality of the foregoing, Developer specifically agrees that during the Term, Developer shall be an active, dues-paying member in good standing with the KCK Area Chamber of Commerce and the Wyandotte Economic Development Corporation.

8.2 LBE/MBE/WBE Employment Opportunity Goals. Developer agrees to comply with the goals set forth on **Exhibit I**, attached hereto and made a part hereof, in order to identify and provide employment opportunities for local businesses and contractors, women and local minority owned businesses. In the event Developer shall fail to meet the LBE/MBE/WBE goals for the Project set forth on **Exhibit I** for the Improvements, then the PILOTs shall be increased as set forth in **Exhibit G** hereof as the UG's sole and exclusive remedy.

ARTICLE 9 DEFAULT AND REMEDIES

9.1 Default Provisions. Developer shall be in default under this Agreement if:

(a) Developer fails to make any of the payments of money required by the terms of this Agreement or any of the Transaction Documents, and Developer fails to cure or remedy the same within twenty (20) days after the UG has given Developer written notice specifying such default; or

(b) Developer fails to keep or perform any covenant or obligation herein contained on Developer's part to be kept or performed, and Developer fails to remedy the same within sixty (60) days after the UG has given Developer written notice specifying such failure and requesting that it be remedied; provided, however, that if any event of default shall be such that it cannot be corrected within such period, it shall not constitute an event of default if corrective action is instituted by Developer within such period and diligently pursued until the default is corrected; or

(c) Developer shall file a voluntary petition under any bankruptcy law or an involuntary petition under any bankruptcy law is filed against any such party in a court having jurisdiction and said petition is not dismissed within sixty (60) days; or Developer makes an assignment for the benefit of its creditors; or a custodian, trustee or receiver is appointed or retained to take charge of and manage any substantial part of the assets of Developer, and such appointment is not dismissed within sixty (60) days; or any execution or attachment shall issue against Developer whereupon the Project, or any part thereof, or any interest therein of Developer under this Agreement shall be taken and the same is not released prior to judicial sale thereunder (each of the events described in this subparagraph being deemed a default under the provisions of this Agreement); or

(d) Developer breaches the representations and warranties set forth in this Agreement and fails to cure or correct same within fifteen (15) days of notice from the UG.

In the event of such default, the UG may take such actions, or pursue such remedies, as exist hereunder, or at law or in equity, and Developer covenants to pay and to indemnify the UG against all reasonable costs and charges, including attorneys' fees, lawfully and reasonably incurred by or on behalf of the UG in connection with the enforcement of such actions or remedies.

9.2 Rights and Remedies. Upon the occurrence and continuance of a Developer default, the UG shall have the following rights and remedies, in addition to any other rights and remedies provided under this Agreement or by law:

(a) Whenever any default by Developer shall have occurred and be continuing, subject to applicable cure periods as set forth above, the UG may (i) refuse to approve any further Certificate of Expenditures or make any further reimbursements of CID Project Costs from Pay-As-You-Go CID Financing unless and until such default is cured by the Developer, and/or (ii) terminate the IRB financing set forth in Section 5.1, and/or (iii) terminate the CID, and/or (iv) terminate this Agreement, including the CID and IRB financing, and/or (v) any remedies provided to the UG under the Transaction Documents. The rights and remedies reserved by the UG hereunder and those provided by law shall be construed as cumulative and continuing rights, no one of which shall be exhausted by the exercise of any one or more of such rights or remedies on any one or more occasions. Notwithstanding the foregoing, or any other provisions of this Agreement to the contrary, in no event, including but not limited to any event of default by Developer, shall the UG have any right to terminate, restrict, or withhold any payments from the owners or bondholders of the CID Bonds issued pursuant to this Agreement; provided however that it is expressly agreed that the UG may withhold the authorization for distribution of certain bond proceeds from the bond project fund as specifically set forth in Section 4.5(b)(ii).

(b) The UG may pursue any available remedy at law or in equity by suit, action, mandamus or other proceeding to enforce and compel the specific performance of the duties and obligations of the Developer as set forth in this Agreement, to enforce or preserve any other rights or interests of the UG under this Agreement or otherwise existing at law or in equity and to recover any damages incurred by the UG resulting from such Developer default.

(c) In the event of such default by Developer, the UG may take such actions, or pursue such remedies, as exist hereunder or at law or in equity and Developer covenants to pay and to indemnify the UG against all reasonable costs and charges, including attorneys' fees, lawfully and reasonably incurred by or on behalf of the UG in connection with the enforcement of such actions or remedies.

(d) The rights and remedies reserved by the UG hereunder and those provided by law shall be construed as cumulative and continuing rights, no one of which shall be exhausted by the exercise of any one or more of such rights or remedies on any one or more occasions. If a default by Developer occurs under this Agreement and is continuing (after any applicable notice and cure period), the UG may take whatever action at law or in equity as may appear necessary or desirable to enforce performance and observance by Developer of any provision of this Agreement. The UG shall be entitled to specific performance and injunctive or other equitable relief for any breach or threatened breach of any of the provisions of this Agreement, notwithstanding the availability of an adequate remedy at law, and each party hereby waives the right to raise such defense in any proceeding in equity. Failure by the UG to enforce any such rights shall not be deemed a waiver thereof.

(e) Notwithstanding anything herein to the contrary, the sole remedy for failure of the Developer to commence or complete the Project shall be termination of the Agreement.

9.3 Default by the UG. The UG shall be in default under this Agreement if the UG fails to keep or perform any covenant or obligation herein contained on the UG's part to be kept or performed, and the UG fails to remedy the same within sixty (60) days after Developer has given the UG written notice specifying such failure and requesting that it be remedied; provided, however, that if any event of default shall be such that it cannot be corrected within such period, it shall not constitute an event of default if corrective action is instituted by the UG within such period and diligently pursued until the default is corrected. If a default by the UG occurs under this Agreement and is continuing, Developer may take whatever action at law or in equity as may appear necessary or desirable to enforce performance and observance by the UG of any provision of this Agreement, however, the UG's liability for monetary amounts shall be limited to the actual amount, if any, in question, and under no circumstances shall the UG be liable for any remote or consequential damages. Developer shall be entitled to specific performance and injunctive or other equitable relief for any breach or threatened breach of any of the provisions of this Agreement, notwithstanding the availability of an adequate remedy at law, and each party hereby waives the right to raise such defense in any proceedings in equity. Under no circumstances shall the UG be liable for remote or consequential damages.

In the event of such default by the UG, Developer may take such actions, or pursue such remedies, as exist hereunder or at law or in equity; and if Developer is the prevailing party in an action to enforce its remedies hereunder, Developer shall be entitled, subject to Applicable Laws and Requirements, to reasonable costs and charges, including attorneys' fees, lawfully and reasonably incurred by or on behalf of Developer in connection with the enforcement of such actions or remedies.

9.4 Force Majeure. Neither the UG nor the Developer shall be deemed to be in default of this Agreement because of an event of Force Majeure.

9.5 Default Interest. Subject to all Applicable Laws and Requirements, any amounts owed by either party hereunder and not paid when due (after any applicable notice and cure period) shall bear interest from the date incurred at the Prime Rate plus 2%, or, if less, the maximum rate permitted by law, and shall be payable on demand.

ARTICLE 10 MISCELLANEOUS

10.1 Waiver of Breach. No waiver of any breach of any covenant or agreement herein contained shall operate as a waiver of any subsequent breach of the same covenant or agreement or as a waiver of any breach of any other covenant or agreement, and in case of a breach by either party of any covenant, agreement or undertaking, the non-defaulting party may nevertheless accept from the other any payment or payments or performance hereunder without in any way waiving its right to exercise any of its rights and remedies provided for herein or otherwise with respect to any such default or defaults which were in existence at the time such payment or payments or performance were accepted by it.

10.2 Force Majeure. In the event either party hereto shall be delayed or hindered in or prevented from the performance of any act required under this Agreement by reason of acts of God, strikes, lockouts, failure of power or other insufficient utility service, riots, insurrection, environmental remediation required by the appropriate Government Authorities, discovery of cultural, archeological or paleontological resources or endangered species, any lawsuit seeking to restrain, enjoin, challenge or delay construction, failure of the UG to timely approve the Plans and Specifications, the Construction Documents, shortage of materials, unavailability of labor, adverse weather conditions such as, by way of illustration and not limitation, severe rain storms or below freezing temperatures of abnormal degree or abnormal duration, tornadoes, and any other events or conditions, which shall include but not be limited to any litigation interfering with or delaying the construction of all or any portion of the Project in accordance with this Agreement, war, terrorism or other reason of a like nature not the fault of the party delayed in performing work or doing acts required under the terms of this Agreement ("Force Majeure"), then performance of such act shall be excused for the period of the delay, and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay. The provisions of this Section shall not be applicable to delays resulting from the inability of a party to obtain financing or to proceed with its obligations under this Agreement because of a lack of funds.

10.3 Covenants of Parties.

(a) Representations and Warranties of Developer. Developer represents and warrants to the UG as follows:

(i) Organization. Developer is a Kansas limited liability company duly formed and validly existing under the laws of the State. Developer is duly authorized to conduct business in each other jurisdiction in which the nature of its properties or its activities requires such authorization. Developer shall (1) preserve and keep in full force and effect its corporate or other separate legal existence and (2) remain qualified to do business and conduct its affairs in the State and each jurisdiction where ownership of its property or the conduct of its business or affairs requires such qualification.

(ii) Authority. The execution, delivery and performance by Developer of this Agreement are within Developer's powers and have been duly authorized by all necessary action of Developer.

(iii) No Conflicts. Neither the execution and delivery of this Agreement, nor the consummation of any of the transactions herein or therein contemplated, nor compliance with the terms and provisions hereof or thereof, will contravene the organizational documents of Developer or any provision of law, statute, rule or regulation to which Developer is subject, or to any judgment, decree, license, order or permit applicable to Developer, or will conflict or be inconsistent with, or will result in any

breach of any of the terms of the covenants, conditions or provisions of any indenture, mortgage, deed of trust, agreement or other instrument to which Developer is a party, by which Developer is bound, or to which Developer is subject.

(iv) No Consents. No consent, authorization, approval, order or other action by, and no notice to or filing with, any court or Governmental Authority or regulatory body or third party is required for the due execution and delivery by Developer of this Agreement. No consent, authorization, approval, order or other action by, and no notice to or filing with, any court or Governmental Authority or regulatory body or third party is required for the performance by Developer of this Agreement or the consummation of the transactions contemplated hereby except for zoning, building and other customary permits to be obtained from the UG or other governmental units.

(v) Valid and Binding Obligation. This Agreement is the legal, valid and binding obligation of Developer, enforceable against Developer in accordance with the terms hereof.

(b) Representations and Warranties of the UG.

(i) Authority. The UG has full constitutional and lawful right, power and authority, under current applicable law, to execute and deliver and perform the terms and obligations of this Agreement, and this Agreement has been duly and validly authorized and approved by all necessary UG proceedings, findings and actions. Accordingly, this Agreement constitutes the legal valid and binding obligation of the UG, enforceable in accordance with its terms.

(ii) No Conflicts. Neither the execution and delivery of this Agreement, nor the consummation of any of the transactions herein or therein contemplated, nor compliance with the terms and provisions hereof or thereof, will contravene the ordinances, rules, regulations of the UG or the laws of the State nor result in a breach, conflict with or be inconsistent with any terms, covenants, conditions or provisions of any indenture, agreement or other instrument by which the UG is bound or to which the UG is subject.

(iii) No Consents. Except as set forth in Section 3.1(d) hereof, no consent, authorization, approval, order or other action by, and no notice to or filing with, any court or Governmental Authority or regulatory body or third party is required for the due execution and delivery by the UG of this Agreement. No consent, authorization, approval, order or other action by, and no notice to or filing with, any court or Governmental Authority or regulatory body or third party is required for the performance by the UG of this Agreement or the consummation of the transactions contemplated hereby.

(iv) Valid and Binding Obligation. This Agreement is the legal, valid and binding obligation of the UG enforceable against the UG in accordance with its terms.

10.4 Amendments. This Agreement may be amended, changed or modified only by a written agreement duly executed by the UG and Developer.

10.5 Construction and Enforcement. This Agreement shall be construed and enforced in accordance with the laws of the State.

10.6 Invalidity of Any Provisions. If for any reason any provision hereof shall be determined to be invalid or unenforceable, the validity and effect of the other provisions hereof shall not be affected thereby.

10.7 Headings. The Article and Section headings shall not be treated as a part of this Agreement or as affecting the true meaning of the provisions hereof.

10.8 Execution of Counterparts. This Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

10.9 Time. Time is of the essence in this Agreement.

10.10 Consents and Approvals. Wherever in this Agreement it is provided that the UG or Developer shall, may or must give its approval or consent, the UG or Developer shall not, unless specifically herein provided otherwise, unreasonably withhold, condition, delay or refuse to give such approvals or consents. It is agreed, however, that the sole right and remedy for Developer or the UG in any action concerning the other's reasonableness will be action for declaratory judgment and/or specific performance, and in no event shall either such party be entitled to claim damages of any type or nature in any such action.

10.11 Notices. All notices required or desired to be given hereunder shall be in writing and all such notices and other written documents required or desired to be given hereunder shall be deemed duly served and delivered for all purposes if (i) delivered by nationally recognized overnight delivery service; (ii) facsimile (with follow up within one (1) business day by United States Mail); or (iii) delivered in person, in each case if addressed to the parties set forth below:

The Unified Government Clerk
The Unified Government of Wyandotte County/Kansas City, Kansas
701 N. 7th Street, Room 323
Kansas City, Kansas 66101
Telephone: 916-573-5010
Facsimile: 913-5735020

with a copy to:

Chief Counsel for the Unified Government of Wyandotte
County/Kansas City, Kansas
701 N. 7th Street
Kansas City, Kansas 66101
Telephone: 913-573-5060
Facsimile: 913-573-5243

And a copy to:

Douglas G. Bach
County Administrator
Unified Government of Wyandotte County/Kansas City, Kansas
701 N. 7th Street
Kansas City, Kansas 66101
Telephone: 913-573-5030
Facsimile: 913-573-5540

And a copy to:

Todd A. LaSala, Esq.
Stinson Leonard Street LLP
1201 Walnut, Suite 2600
Kansas City, Missouri 64106
Telephone: 816-842-8600
Facsimile: 816-691-3495

and to Developer at:

c/o Legacy Development
4717 Central
Kansas City, Missouri 64112
Attn: Wes Grammer
Telephone: 816-777-3500
Facsimile: 816-777-3501

with a copy to:

c/o Legacy VI
6501 Red Hook Plaza
Suite 201 PMB 547
St. Thomas, VI 00802
Attn: Dan Lowe and Patty Love

And with a copy to:

Dentons US LLP
4520 Main Street, Suite 1100
Kansas City, MO 64111
Attention: John L. Snyder, Esq.
Telephone: (816) 460-2668
Facsimile: (816) 531-7545

All notices given by fax or personal delivery, followed up by regular United States mail, shall be deemed duly given one business day after they are so delivered.

10.12 Entire Agreement. Together with the Exhibits hereto, this Agreement constitutes the entire agreement of the parties with respect to the subject matter hereof and supersedes and replaces all prior oral or written agreements concerning the subject matter hereof.

10.13 Run with the Land. This Agreement shall be binding on and inure to the benefit of the parties hereto and their respective heirs, successors and assigns and shall run with the land. However, Developer shall remain liable in the event of a violation of any of the terms or restrictions set forth in Section 7.8 and 7.13 hereof. At Closing, the parties shall record a memorandum describing this Agreement in the land records of Wyandotte County, Kansas.

DEVELOPER:

LEGENDS APARTMENTS LEGACY, LLC

By: [Signature]
Name: Dan Lowe
Title: Authorized Signatory

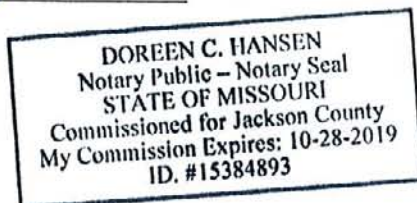
STATE OF Missouri)
COUNTY OF Jackson) SS.

This instrument was acknowledged before me on November 19, 2015 by Legends Apartments Legacy, LLC, a Kansas limited liability company.

[Signature]
Printed Name: Doreen C Hansen
Notary Public in and for said State
Commissioned in Jackson County

My commission expires:

10/28/2019



INDEX OF EXHIBITS

Exhibit A-1	The Project Site - Legal Description
Exhibit A-2	The Project Site – Map
Exhibit B-1	CID District – Legal Description
Exhibit B-2	CID District – Map
Exhibit C	CID Petition
Exhibit D	CID Ordinance
Exhibit E	Total Project Budget/CID Project Costs
Exhibit F	Certificate of Expenditures Form
Exhibit G	PILOT Schedule
Exhibit H	Insurance Specifications
Exhibit I	LBE/MBE/WBE Goals and Requirements
Exhibit J	Required Sidewalks
Exhibit K	Form of Collateral Assignment

ANNEX 1
DEFINITIONS

"Affiliate" means any person, entity or group of persons or entities which controls Developer, which Developer controls or which is under common control with Developer. As used herein, the term "control" shall mean the possession, directly or indirectly, of the power to direct or cause the direction of management and policies, whether through the ownership of voting securities, by contract or otherwise.

"Agreement" means this Development Agreement for Legends Apartments and Garage by and between the UG and Developer.

"Applicable Laws and Requirements" shall mean any applicable constitution, treaty, statute, rule, regulation, code, ordinance, order, directive, code, interpretation, judgment, decree, injunction, writ, determination, award, permit, license, authorization, directive, requirement or decision of or agreement with or by government authorities (including the UG's planning department), and all requirements of any insurers. Applicable Law and Requirements shall include, without limitation, the Development Plan, the Kansas Cash Basis Law (K.S.A. § 10-1100, et. seq.) and Budget Law (K.S.A. § 75-2935 et. seq.).

"Approved Assignment" means any assignment, sale, lease, mortgage, merger or other transfer which is consented to by the UG pursuant to Section 7.13 hereof.

"Assignee" means the assignee, purchaser, lessee, mortgagee, or transferee of an Approved Assignment pursuant to Section 7.13 hereof.

"Casualty Escrow" means that certain escrow agreement for the net proceeds of any insurance relating to damage or destruction of the Project, the net proceeds of condemnation or taking or the net proceeds of any realization on title insurance for the Project as set forth in Section 7.11 hereof.

"Certificate of Expenditure" means the form attached as **Exhibit F** which is to be submitted by Developer to the UG in order to set forth the amount for which reimbursement is sought by Developer, and identification of the relevant CID Project Costs as described in Section 4.8 hereof.

"CID" means a community improvement district pursuant to the CID Act.

"CID Act" means K.S.A. 12-6a26 *et seq.*, as amended.

"CID Administrative Fee" means an amount equal to 1% of the CID Proceeds deposited into the CID Sales Tax Fund hereunder from time to time during the Term, as set forth in Section 4.7 of this Agreement.

"CID Bonds" means the bonds issued by the CID to be repaid with CID Proceeds, described in Section 4.5 hereof.

"CID Cap" means the limitation as set forth in Section 4.4(a) hereof. The CID Cap is \$14,000,000.

"CID Collection Period" means the period that commences on the date that the CID Sales Tax is first imposed and concluding upon the date which is the earlier of the following: (a) the date that Developer has been reimbursed for all CID Project Costs by Pay-As-You-Go CID Financing (up to the CID Cap) and any CID Bonds have been repaid; or (b) regardless of whether the Developer has been fully

reimbursed for all CID Project Costs, that date which is twenty two (22) years from the date that the CID Sales Tax is first imposed, as set forth in Section 4.4(b) hereof.

"CID District" means the community improvement district generally described in Recital C of this Agreement and the legal description of which is more particularly set out in Exhibit B-1 and the boundaries of which are depicted on Exhibit B-2 attached hereto.

"CID Financing" means the financing generated either through Pay-As-You-Go CID Financing or CID Bonds and used to reimburse or pay CID Project Costs as set forth in Sections 4.4 and 4.5 of this Agreement.

"CID Improvements" means that portion of the Project, the costs of which are CID Project Costs and reimbursable with CID Financing hereunder, subject to the CID Cap. The CID Improvements, and the estimated costs therefor, are set forth on Exhibit E hereto.

"CID Ordinance" means the ordinance to be considered by the UG Commission for the creation of the CID District pursuant to the CID Act, as more fully described referenced in Recital D hereof and to be attached hereto as Exhibit D if approved by the UG Commission.

"CID Petition" means that certain petition submitted by the Developer on or about November 16, 2015, a copy of which is attached hereto as Exhibit C.

"CID Proceeds" means the proceeds from CID Sales Tax generated within the CID District and received by the UG from DOR, as described in Section 4.3 hereof.

"CID Project Costs" means those costs eligible to be paid from CID Proceeds in accordance with K.S.A. 12-6a26 *et seq.* and the budget attached hereto as Exhibit E.

"CID Sales Tax" means taxes on the sale of tangible personal property at retail or the rendering or furnishing of services which are taxable pursuant to the Kansas Retailers' Sales Tax Act (K.S.A. 79-3601 *et seq.*), as amended, within the CID District, and as more particularly described in Section 4.2 hereof.

"Construction Documents" means those construction documents more particularly described in Section 6.3 hereof.

"Construction Period Interest" the interest accrued on money borrowed to pay for CID Project Costs during the period of construction of the CID Improvements, in accordance with K.S.A. § 12-6a27(f).

"Developer" means Legends Apartments Legacy, LLC, a Kansas limited liability company, and any successor or assigns specifically approved or allowed pursuant to Section 7.13 of the Agreement.

"Development Plan" means the plan agreed to by Developer and the UG, which plan shall be in substantial accordance and compliance with the terms and conditions of Section 2.2 of this Agreement and the final site plan approval from the UG's Planning Commission.

"DOR" means the Kansas Department of Revenue as set forth in Section 4.2 hereof.

"Effective Date" means the date of this Agreement first above written.

"Environmental Regulation" means any and all present and future laws, statutes, ordinances, rules, regulations and orders of any governmental authority having jurisdiction over the parties hereto or any portion of the Site or the Site and pertaining to the protection of human health, hazardous substances, pollution, or the environment, including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended by the Superfund Amendments and Reauthorization Act of 1986, and as the same may be further amended from time to time (hereinafter collectively called "CERCLA").

"Force Majeure" is defined in Section 10.2 hereof.

"GAAP" means generally accepted accounting principles.

"General Contractor" means that certain General Contract selected by Developer for the Public Infrastructure Improvements, as more fully described in Section 6.3 of this Agreement

"Government Authorities" shall mean any and all jurisdictions, entities, courts, boards, agencies, commissions, offices, divisions, subdivisions, departments, bodies or authorities of any nature whatsoever of any governmental unit (federal, state, county, district, municipality, city or otherwise), whether now or hereafter in existence.

"Hazardous Substance" means any substance that is defined or listed as a hazardous or toxic substance and which is regulated as such or may form the basis of liability under any present or future Environmental Regulation, or that is otherwise prohibited or subject to investigation or remediation under any present or future Environmental Regulation because of its hazardous, toxic, or dangerous properties, including, without limitation, (i) any substance that is a "hazardous substance" under CERCLA, and (ii) petroleum, natural gas, natural gas liquids, liquefied natural gas, and synthetic gas usable for fuel (or mixtures of natural gas and such synthetic gas), only to the extent that the constituents of such synthetic gas are released or threatened to be released into the environment.

"Improvements" means those certain improvements to be constructed as a part of the Project as more particularly described in Section 2.2 hereof.

"Insurance Specifications" means the insurance requirements on Developer in connection with the Project as generally described in Section 7.10 and more fully set forth in **Exhibit H** hereof.

"IRB" means industrial revenue bond financing pursuant to K.S.A. 12-1741 *et. seq.*

"Material Changes" means any substantial change to any agreement, plan or other document referred to herein, which change would require changes to Developer's permits or approval of the appropriate Government Authorities or is required by Applicable Laws and Regulations.

"Parking Improvements" means those certain structured parking improvements described in Section 2.2(c) hereof.

"Pay-As-You-Go CID Financing" means a method of financing pursuant to K.S.A. 12-6a34, in which the costs of the CID Improvements, or a portion thereof, are financed without notes or bonds, and the costs are reimbursed as CID Proceeds are deposited in the CID Sales Tax Fund as set forth in Section 4.4 hereof.

"Permitted Uses" means a first class multi-family residential apartment building and structured parking facility as more particularly described in Section 2.2 hereof.

"Person" shall mean any natural person, firm, partnership, association, corporation, limited liability company, trust, entity, public body or government or other entity.

"PILOT(S)" means those certain 100% payments-in-lieu-of-taxes as described in Article 5 and to be paid by Developer pursuant to the schedule attached hereto as **Exhibit G**.

"Plans and Specifications" means those plans and specifications generally described in Section 6.2 hereof.

"Project" means the design, development, and construction of certain improvements on the Project Site for use as a first-class luxury apartment building, along with structured parking and related amenities, of the same or better quality as the Village West Apartments located immediately on the other side of 110th Street to the west of the Project Site, renting for a blended rate in excess of \$1.15 per square foot, consisting of no less than 250 total units, a high-quality landscaped entry, and other related amenities and infrastructure as more particularly set forth in Section 2.2 hereof.

"Project Site" means that property generally located adjacent to the Legends Shopping Center on the south side of Parallel Parkway, east of 110th Street in Kansas City, Kansas, which is legally described on **Exhibit A-1** and as depicted on **Exhibit A-2** hereof.

"Prime Rate" means the rate of interest announced from time to time by Security Bank of Kansas City, or any successor to it, as its prime rate as referenced in Section 7.15 hereof. If such bank, or any successor to it, ceases to announce a prime rate, the UG shall designate a reasonably comparable financial institution for purposes of determining the Prime Rate.

"Public Financing Conditions" means the conditions more particularly described in Section 3.1 hereof.

"Public Parking" is defined in Section 2.2(c) hereof.

"State" means the State of Kansas.

"Substantial Completion" or **"Substantially Complete"** means the stage in the progress of the construction of the Project, or as to any particular portion thereof, when said construction is sufficiently complete so that the Project or such particular portion can be occupied or utilized for its intended use.

"Term" means the term of this Agreement as set forth in Section 7.1 hereof.

"Transaction Documents" means the lease, along with any bond trust indentures, bond purchase agreements, tax compliance agreements, financing agreements, and other similar documents executed and delivered by the parties in connection with the IRB financing.

"Total Project Budget" means the estimated budget attached hereto as **Exhibit E**.

"UG" means the Unified Government of Wyandotte County/ Kansas City, Kansas.

"Village West Garage" means the adjacent parking structure as more particularly described in Section 2.2 hereof.

EXHIBIT A-1

The Project Site - Legal Description

Lot 33 of the Legends at Village West, Fifth Plat, a subdivision lying in Section 2, Township 11 South, Range 23 East, Kansas City, Wyandotte County, Kansas

The Project Site - Map

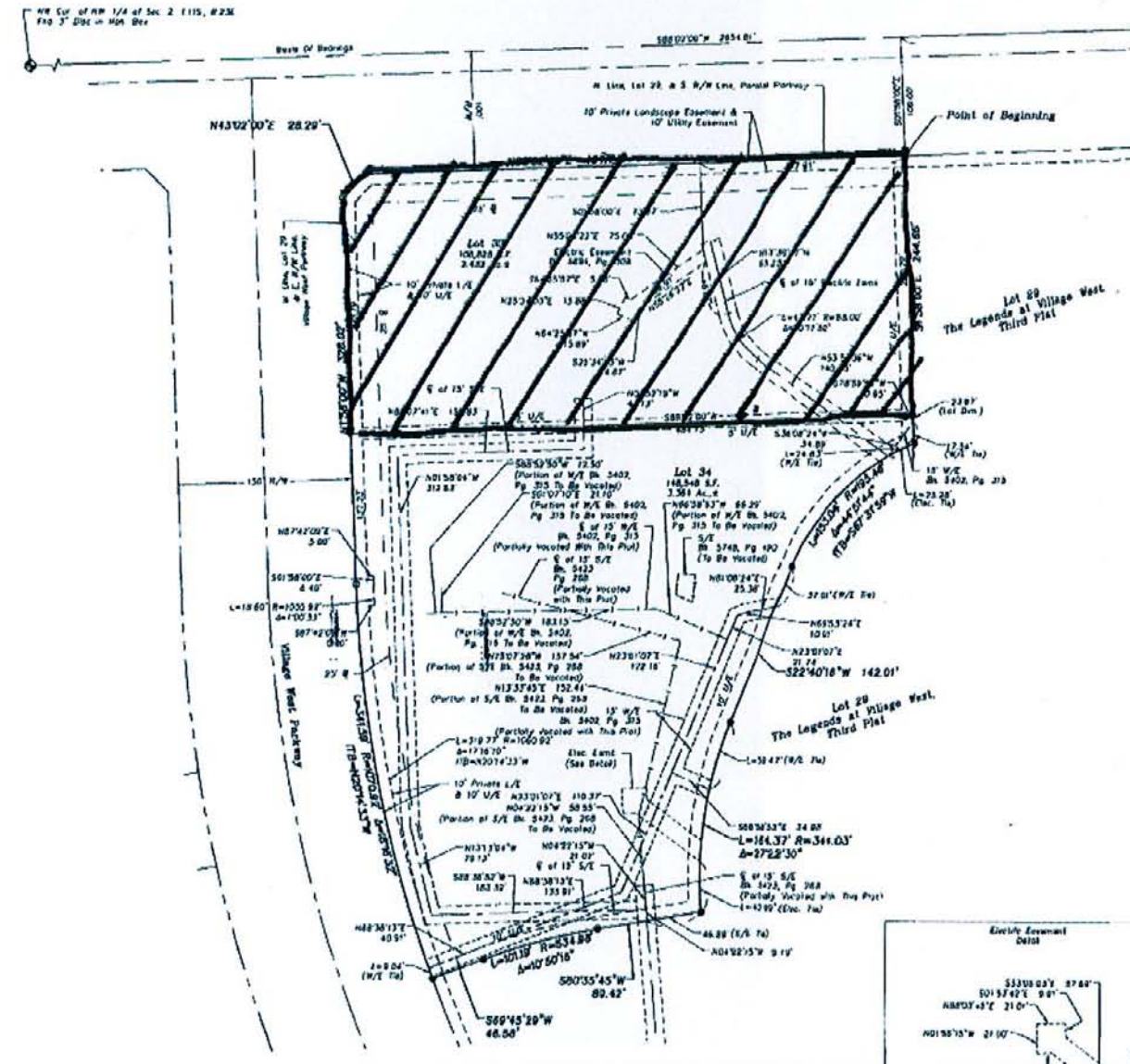


EXHIBIT B-1

CID District - Legal Description

TRACT 1:

LOTS 2, AND 3, THE LEGENDS AT VILLAGE WEST, A SUBDIVISION IN KANSAS CITY, WYANDOTTE COUNTY, KANSAS PER PLAT THEREOF RECORDED AS DOCUMENT NO. 2002R-23511 IN PLAT BOOK 40, PAGE 19.

AND

LOT 19 AND A 12,000 SQUARE FOOT PRIVATE ACCESS DRIVE, THE LEGENDS AT VILLAGE WEST, SECOND PLAT, A SUBDIVISION IN KANSAS CITY, WYANDOTTE COUNTY, KANSAS PER PLAT THEREOF RECORDED AS DOCUMENT NO. 2004R-10454 IN PLAT BOOK 40, AT PAGE 97.

AND

LOTS 25, AND 31, THE LEGENDS AT VILLAGE WEST, THIRD PLAT, A SUBDIVISION IN KANSAS CITY, WYANDOTTE COUNTY, KANSAS PER PLAT THEREOF RECORDED AS DOCUMENT NO. 2004R-33511 IN PLAT BOOK 41, AT PAGE 35.

AND

LOT 29, THE LEGENDS AT VILLAGE WEST, THIRD PLAT, A SUBDIVISION IN KANSAS CITY, WYANDOTTE COUNTY, KANSAS PER PLAT THEREOF RECORDED AS DOCUMENT NO. 2004R-33511 IN PLAT BOOK 41, AT PAGE 35.

EXCEPT

ALL THAT PART OF LOT 29, THE LEGENDS AT VILLAGE WEST, THIRD PLAT, A SUBDIVISION LYING IN THE NORTH HALF OF SECTION 2, TOWNSHIP 11 SOUTH, RANGE 23 EAST, IN KANSAS CITY, WYANDOTTE COUNTY, KANSAS, DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF THE NORTHWEST QUARTER OF SECTION 2, TOWNSHIP 11 SOUTH, RANGE 23 EAST; THENCE SOUTH 88 DEGREES 02 MINUTES 00 SECONDS WEST ALONG THE NORTH LINE OF THE NORTHWEST QUARTER OF SAID SECTION 2 A DISTANCE OF 136.76 FEET TO A POINT; THENCE SOUTH 01 DEGREE 57 MINUTES 43 SECONDS EAST A DISTANCE OF 100.00 FEET TO A POINT ON THE NORTH LINE OF LOT 29, THE LEGENDS AT VILLAGE WEST, THIRD PLAT, THE POINT OF BEGINNING; THENCE CONTINUING SOUTH 01 DEGREE 57 MINUTES 43 SECONDS EAST A DISTANCE OF 317.02 FEET TO A POINT; THENCE SOUTH 88 DEGREES 02 MINUTES 00 SECONDS WEST A DISTANCE OF 186.13 FEET TO A POINT; THENCE NORTH 66 DEGREES 30 MINUTES 29 SECONDS WEST A DISTANCE OF 190.08 FEET TO A POINT; THENCE SOUTH 88 DEGREES 02 MINUTES 00 SECONDS WEST A DISTANCE OF 134.95 FEET TO A POINT; THENCE NORTH 01 DEGREE 58 MINUTES 00 SECONDS WEST A DISTANCE OF 235.32 FEET TO A POINT ON

THE NORTH LINE OF SAID LOT 29; THENCE NORTH 88 DEGREES 02 MINUTES 00 SECONDS EAST ALONG THE NORTH LINE OF SAID LOT 29 A DISTANCE OF 492.73 FEET TO THE POINT OF BEGINNING.

AND

LOTS 21, 24, AND 28, BALLPARK OF VILLAGE WEST, THIRD PLAT, A SUBDIVISION IN KANSAS CITY, WYANDOTTE COUNTY, KANSAS, PER PLAT THEREOF RECORDED AS DOCUMENT NO. 2006R-07540 IN PLAT BOOK 42 AT PAGE 15.

AND

LOT 32, THE LEGENDS AT VILLAGE WEST, FOURTH PLAT, A SUBDIVISION IN THE CITY OF KANSAS CITY, WYANDOTTE COUNTY, KANSAS.

AND

LOTS 33 AND 34, THE LEGENDS AT VILLAGE WEST, FIFTH PLAT, A SUBDIVISION IN THE CITY OF KANSAS CITY, WYANDOTTE COUNTY, KANSAS.

TRACT 2:

LOT 4, THE LEGENDS AT VILLAGE WEST, A SUBDIVISION IN THE CITY OF KANSAS CITY, WYANDOTTE COUNTY, KANSAS.

TRACT 3:

LOT 7, THE LEGENDS AT VILLAGE WEST, A SUBDIVISION IN THE CITY OF KANSAS CITY, WYANDOTTE COUNTY, KANSAS.

TRACT 4:

LOT 8, THE LEGENDS AT VILLAGE WEST, A SUBDIVISION IN THE CITY OF KANSAS CITY, WYANDOTTE COUNTY, KANSAS.

TRACT 5:

LOT 30, BALLPARK OF VILLAGE WEST, THIRD PLAT, A REPLAT OF LOT BLOCK A, TOURISM DISTRICT, AND PART OF LOT 2, PARKWAY, BALLPARK OF VILLAGE WEST, SUBDIVISIONS LYING IN FRACTIONAL SECTION 2, TOWNSHIP 11 SOUTH, RANGE 23 EAST, IN KANSAS CITY, WYANDOTTE COUNTY, KANSAS.

TRACT 6:

LOT 22, BALLPARK OF VILLAGE WEST, THIRD PLAT, A SUBDIVISION LYING IN SECTION 2, TOWNSHIP 11 SOUTH, RANGE 23 EAST, KANSAS CITY, WYANDOTTE COUNTY, KANSAS

TRACT 7:

LOT 23, BALLPARK OF VILLAGE WEST, THIRD PLAT, A SUBDIVISION LYING IN SECTION 2, TOWNSHIP 11 SOUTH, RANGE 23 EAST, KANSAS CITY, WYANDOTTE COUNTY, KANSAS.

TRACT 8:

LOT 29, BALLPARK OF VILLAGE WEST, THIRD PLAT, A SUBDIVISION LYING IN SECTION 2, TOWNSHIP 11 SOUTH, RANGE 23 EAST, KANSAS CITY, WYANDOTTE COUNTY, KANSAS.

TRACT 9:

LOT 6, THE LEGENDS AT VILLAGE WEST, A SUBDIVISION IN KANSAS CITY, WYANDOTTE COUNTY, KANSAS.

TRACT 10:

LOT 5, THE LEGENDS AT VILLAGE WEST, A SUBDIVISION IN KANSAS CITY, WYANDOTTE COUNTY, KANSAS.

TRACT 11:

LOT 1, THE LEGENDS AT VILLAGE WEST, A SUBDIVISION IN KANSAS CITY, WYANDOTTE COUNTY, KANSAS.

TRACT 12:

LOT 10, THE LEGENDS AT VILLAGE WEST, A SUBDIVISION IN KANSAS CITY, WYANDOTTE COUNTY, KANSAS.

TRACT 13:

LOT 23, THE LEGENDS AT VILLAGE WEST, THIRD PLAT, A SUBDIVISION IN KANSAS CITY, WYANDOTTE COUNTY, KANSAS.

TRACT 14:

ALL THAT PART OF LOT 26, THE LEGENDS AT VILLAGE WEST, THIRD PLAT, A SUBDIVISION LYING IN THE NORTH HALF OF SECTION 2, TOWNSHIP 11 SOUTH, RANGE 23 EAST, IN KANSAS CITY, WYANDOTTE COUNTY, KANSAS, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF LOT 26, THE LEGENDS AT VILLAGE WEST, THIRD PLAT; THENCE NORTH 72 DEGREES 30 MINUTES 07 SECONDS EAST ALONG THE NORTH LINE OF SAID LOT 26 A DISTANCE OF 148.12 FEET TO A POINT; THENCE SOUTH 17 DEGREES 29 MINUTES 53 SECONDS EAST A DISTANCE OF 248.62 FEET TO A POINT ON THE SOUTHERLY LINE OF SAID LOT 26, SAID POINT LYING ON THE WESTERLY RIGHT OF WAY LINE OF PRAIRIE CROSSING ROAD; THENCE SOUTH 76 DEGREES 38 MINUTES 29 SECONDS WEST ALONG THE SOUTHERLY LINE OF SAID LOT 26 AND ALONG THE WESTERLY RIGHT OF WAY LINE OF PRAIRIE CROSSING ROAD A DISTANCE OF 37.51 FEET TO THE SOUTHERNMOST CORNER OF SAID LOT 26, SAID POINT ALSO LYING ON THE NORTHERLY RIGHT OF WAY LINE OF VILLAGE WEST PARKWAY; THENCE IN A NORTHWESTERLY DIRECTION ALONG THE SOUTHERLY LINE OF LOT 26, THE NORTHERLY RIGHT

OF WAY OF VILLAGE WEST PARKWAY AND ALONG A CURVE TO THE LEFT WHOSE INITIAL TANGENT BEARS NORTH 63 DEGREES 20 MINUTES 03 SECONDS WEST, HAVING A RADIUS OF 1712.02 FEET, THROUGH A CENTRAL ANGLE OF 6 DEGREES 21 MINUTES 05 SECONDS, AN ARC DISTANCE OF 189.78 FEET TO THE SOUTHWEST CORNER OF SAID LOT 26; THENCE NORTH 20 DEGREES 18 MINUTES 52 SECONDS EAST ALONG THE WESTERLY LINE OF SAID LOT 26 A DISTANCE OF 52.98 FEET TO A POINT; THENCE NORTH 17 DEGREES 29 MINUTES 53 SECONDS WEST ALONG THE WESTERLY LINE OF SAID LOT 26 A DISTANCE OF 79.64 FEET TO THE POINT OF BEGINNING.

TRACT 15:

ALL THAT PART OF LOT 26, THE LEGENDS AT VILLAGE WEST, THIRD PLAT, A SUBDIVISION LYING IN THE NORTH HALF OF SECTION 2, TOWNSHIP 11 SOUTH, RANGE 23 EAST, IN KANSAS CITY, WYANDOTTE COUNTY, KANSAS, DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF LOT 26, THE LEGENDS AT VILLAGE WEST, THIRD PLAT; THENCE NORTH 72 DEGREES 30 MINUTES 07 SECONDS EAST ALONG THE NORTH LINE OF SAID LOT 26 A DISTANCE OF 148.12 FEET TO THE POINT OF BEGINNING; THENCE CONTINUING NORTH 72 DEGREES 30 MINUTES 07 SECONDS EAST ALONG THE NORTH LINE OF SAID LOT 26 A DISTANCE OF 181.88 FEET TO THE NORTHERNMOST CORNER THEREOF; THENCE SOUTH 17 DEGREES 29 MINUTES 53 SECONDS EAST ALONG THE NORTHEASTERLY LINE OF SAID LOT 26 A DISTANCE OF 82.76 FEET TO A POINT; THENCE SOUTH 54 DEGREES 03 MINUTES 09 SECONDS EAST ALONG THE NORTHEASTERLY LINE OF SAID LOT 26 A DISTANCE OF 40.00 FEET TO THE EASTERNMOST CORNER THEREOF, SAID POINT LYING ON THE WEST RIGHT OF WAY LINE OF PRAIRIE CROSSING ROAD; THENCE SOUTH 35 DEGREES 56 MINUTES 51 SECONDS WEST ALONG THE EASTERLY LINE OF SAID LOT 26 AND THE WEST RIGHT OF WAY LINE OF PRAIRIE CROSSING ROAD A DISTANCE OF 227.34 FEET TO THE EAST SOUTHEAST CORNER OF SAID LOT 26; THENCE SOUTH 76 DEGREES 38 MINUTES 29 SECONDS WEST ALONG THE SOUTHERLY LINE OF SAID LOT 26 AND ALONG THE WESTERLY RIGHT OF WAY LINE OF PRAIRIE CROSSING ROAD A DISTANCE OF 23.15 FEET TO A POINT; THENCE NORTH 17 DEGREES 29 MINUTES 53 SECONDS WEST A DISTANCE OF 248.62 FEET TO THE POINT OF BEGINNING.

TRACT 16:

LOT 27, THE LEGENDS AT VILLAGE WEST, THIRD PLAT, A SUBDIVISION IN KANSAS CITY, WYANDOTTE COUNTY, KANSAS.

TRACT 17:

LOT 27, THE LEGENDS AT VILLAGE WEST, THIRD PLAT, A SUBDIVISION IN KANSAS CITY, WYANDOTTE COUNTY, KANSAS.

TRACT 18:

LOT 30, THE LEGENDS AT VILLAGE WEST, THIRD PLAT, A SUBDIVISION IN KANSAS CITY, WYANDOTTE COUNTY, KANSAS.

TRACT 19:

LOT 22, THE LEGENDS AT VILLAGE WEST, SECOND PLAT, A SUBDIVISION IN KANSAS CITY,
WYANDOTTE COUNTY, KANSAS.

TRACT 20:

LOT 20, THE LEGENDS AT VILLAGE WEST, SECOND PLAT, A SUBDIVISION IN KANSAS CITY,
WYANDOTTE COUNTY, KANSAS.

TRACT 21:

LOT 21, THE LEGENDS AT VILLAGE WEST, SECOND PLAT, A SUBDIVISION IN KANSAS CITY,
WYANDOTTE COUNTY, KANSAS.

ALSO INCLUDING:

Any and all adjacent Right-of-Way with respect to Tracts 1 through 21 above.

EXHIBIT B-2
CID District - Map

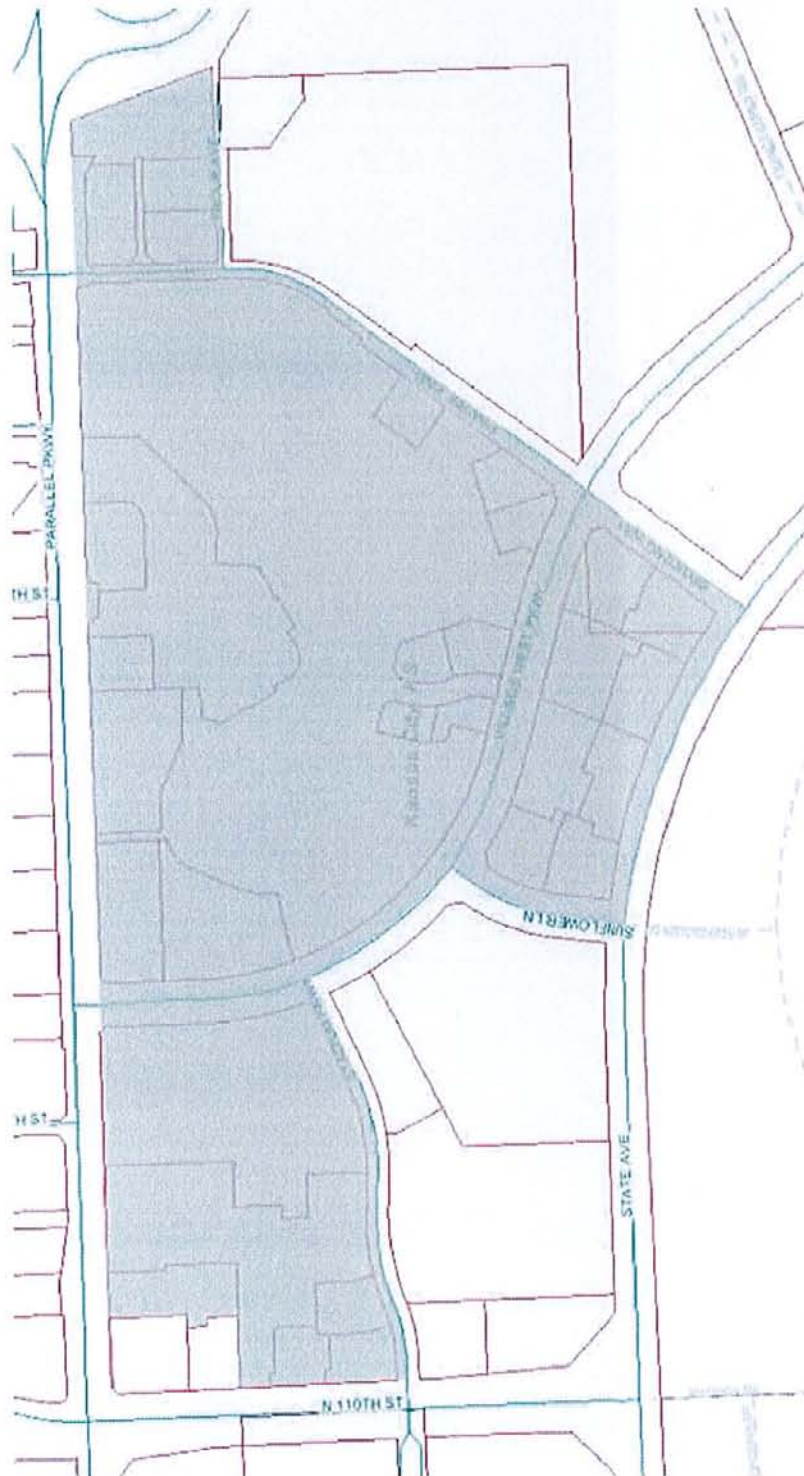


EXHIBIT C

CID Petition

**PETITION
FOR THE CREATION OF A
COMMUNITY IMPROVEMENT DISTRICT**

LEGENDS -- KANSAS CITY, KANSAS

UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS

November 16, 2015

FILED TK

NOV 16 2015

UNIFIED GOVERNMENT CLERK

82433629V-4

**PETITION FOR THE CREATION OF A
COMMUNITY IMPROVEMENT DISTRICT**

TO: The Governing Body,
Unified Government of Wyandotte County/Kansas City, Kansas

The undersigned, being the owners of record, whether resident or not, of the following:

1. More than fifty-five percent (55%) of the land area contained within the hereinafter described community improvement district; and
2. More than fifty-five percent (55%) by assessed value of the land area contained within the hereinafter described community improvement district.

hereby petition the Unified Government of Wyandotte County/Kansas City, Kansas (the "UG") to create a community improvement district and authorize the proposed projects hereinafter set forth, all in the manner provided by K.S.A 12-6a26, et seq. (the "Act"). In furtherance of such request, the petitioners state as follows:

1. GENERAL NATURE

The general nature of the proposed projects (the "Projects") is as follows:

The development of the property and surrounding area into a luxury apartment complex and adjacent parking garage for residents of the apartments and for visitors and customers of the Legends/Village West shopping district, potentially containing the following:

1. Residential and multi-family development;
2. Associated parking, transportation, infrastructure improvements and common area improvements.

2. BUT FOR

The petitioner certifies to the UG that but for the creation of the community improvement district and the anticipated reimbursement of the costs of the Projects with revenue from the CID Sales Tax (as defined below) the Projects would not occur.

3. ESTIMATED COST

The proceeds from the CID Sales Tax shall be available to Developer for reimbursement of CID Project Costs shall in no event exceed \$14,000,000 (the "CID Cap"). The CID Cap shall, for all purposes set forth herein, operate as a cap on the use of CID Sales Tax for reimbursement of any and all CID Project Costs and such CID Cap shall not include and shall be net of: (i) any Construction Period Interest (defined below), (ii) costs of issuance of any notes or bonds and (iii) interest on CID Project Costs pursuant to any notes or bonds. Once Developer has received an amount equal to the CID Cap for reimbursement of CID Project Costs, the parties understand and agree that the CID shall thereafter terminate, and the CID Sales Tax shall terminate and no longer be levied or collected within the District. For the purposes of this Agreement, "Construction Period Interest" shall be defined as the interest accrued on money borrowed to pay for CID Project Costs during the period of the construction

82433623/V-8

of the Projects, in accordance with K.S.A. § 12-6a27(f). For purposes of this Petition, the term "CID Project Costs" means those costs eligible to be paid from CID Proceeds for the Projects in accordance with K.S.A. 12-6a26 *et seq.* and the budget attached hereto as "EXHIBIT C".

4. PROPOSED METHOD OF FINANCING

It is proposed that the Projects be financed through a combination of private equity, private debt and CID financing, either as pay-as-you-go financing or through the issuance of special obligation bonds, both as defined in the Act.

5. PROPOSED METHOD AND AMOUNT OF ASSESSMENT

It is not being proposed that the Projects be financed through the levying of assessments.

6. PROPOSED AMOUNT OF SALES TAX

It is being proposed that the Projects be financed in part through the levying of 0.6% CID sales tax as authorized by the Act (the "CID Sales Tax").

7. MAP AND LEGAL DESCRIPTION OF THE PROPOSED DISTRICT

A map of the proposed community improvement district (the "District") is attached hereto as EXHIBIT "A".

The legal description of the District is attached hereto as EXHIBIT "B".

7. LIMITATION ON USE OF REVENUE

Revenue produced from the CID Sales Tax shall be limited to the reimbursement of costs associated with the preparation of studies, site design, analysis, legal and any other such costs as might be permitted to be reimbursed under the Act.

8. FINANCIAL ABILITY TO COMPLETE AND OPERATE

The undersigned hereby state that they have the financial ability to complete and operate the Projects.

9. NOTICE TO PETITION SIGNERS


NAMES MAY NOT BE WITHDRAWN FROM THIS PETITION BY THE SIGNERS HEREOF AFTER THE UG COMMENCES CONSIDERATION OF THIS PETITION, OR LATER THAN SEVEN (7) DAYS AFTER THE FILING HEREOF WITH THE CITY CLERK, WHICHEVER OCCURS FIRST.

IN WITNESS WHEREOF, the undersigned petitioners have executed the above foregoing petition to create the district at the dates set forth opposite their respective signatures below:

8243362RV-S

PETITIONER:

KKR LEGENDS L.L.C.,
a Delaware limited liability company

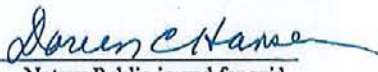
By: 
Signature of Authorized Agent for Entity
Title: DAN LOWE, MANAGER
Date: 11.16.2015

ACKNOWLEDGMENT

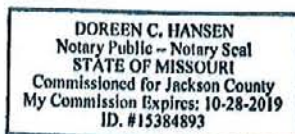
STATE OF Missouri)
COUNTY OF Jackson) ss.

BE IT REMEMBERED, that on this 16 day of November, 2015, before me, the undersigned, a Notary Public in and for said County and State, came Dan Lowe, who is known to me to be the same person who executed the within instrument on behalf of the petitioner, and such person duly acknowledged the execution of the same on behalf of the petitioner.

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


Notary Public in and for said
County and State

My Commission Expires:
10-28-2019



82431625V-4

UG:

THE UNIFIED GOVERNMENT OF
WYANDOTTE COUNTY/KANSAS CITY,
KANSAS

By: 
Mayor/CEO Mark Holland

ACKNOWLEDGEMENT

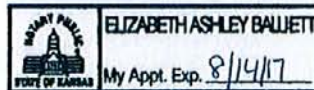
STATE OF KANSAS)
) SS.
COUNTY OF WYANDOTTE)

This instrument was acknowledged before me on November 16, 2015, by Mark Holland
on as Mayor/CEO of the Unified Government of Wyandotte County/ Kansas City, Kansas.

Printed Name: Elizabeth Ashley Balliett
Notary Public in and for said State
Commissioned in Wyandotte County

My commission expires

8/14/17



82433629V-8

EXHIBIT "A"
MAP OF DISTRICT
[See attached]

82433629V-8

CID Map

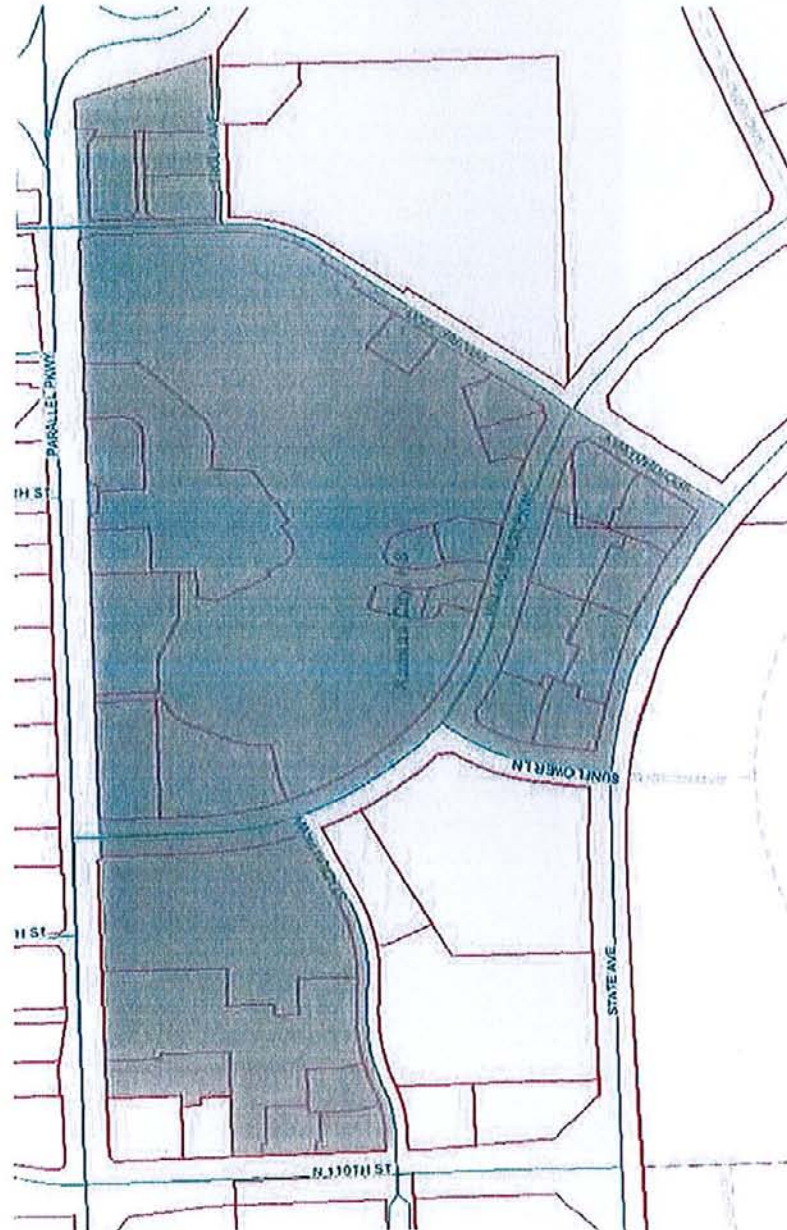


EXHIBIT "B"
LEGAL DESCRIPTION OF DISTRICT

TRACT 1:

LOTS 2, AND 3, THE LEGENDS AT VILLAGE WEST, A SUBDIVISION IN KANSAS CITY, WYANDOTTE COUNTY, KANSAS PER PLAT THEREOF RECORDED AS DOCUMENT NO. 2002R-23511 IN PLAT BOOK 40, PAGE 19.

AND

LOT 19 AND A 12,000 SQUARE FOOT PRIVATE ACCESS DRIVE, THE LEGENDS AT VILLAGE WEST, SECOND PLAT, A SUBDIVISION IN KANSAS CITY, WYANDOTTE COUNTY, KANSAS PER PLAT THEREOF RECORDED AS DOCUMENT NO. 2004R-10454 IN PLAT BOOK 40, AT PAGE 97.

AND

LOTS 25, AND 31, THE LEGENDS AT VILLAGE WEST, THIRD PLAT, A SUBDIVISION IN KANSAS CITY, WYANDOTTE COUNTY, KANSAS PER PLAT THEREOF RECORDED AS DOCUMENT NO. 2004R-33511 IN PLAT BOOK 41, AT PAGE 35.

AND

LOT 29, THE LEGENDS AT VILLAGE WEST, THIRD PLAT, A SUBDIVISION IN KANSAS CITY, WYANDOTTE COUNTY, KANSAS PER PLAT THEREOF RECORDED AS DOCUMENT NO. 2004R-33511 IN PLAT BOOK 41, AT PAGE 35.

EXCEPT

ALL THAT PART OF LOT 29, THE LEGENDS AT VILLAGE WEST, THIRD PLAT, A SUBDIVISION LYING IN THE NORTH HALF OF SECTION 2, TOWNSHIP 11 SOUTH, RANGE 23 EAST, IN KANSAS CITY, WYANDOTTE COUNTY, KANSAS, DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF THE NORTHWEST QUARTER OF SECTION 2, TOWNSHIP 11 SOUTH, RANGE 23 EAST; THENCE SOUTH 88 DEGREES 02 MINUTES 00 SECONDS WEST ALONG THE NORTH LINE OF THE NORTHWEST QUARTER OF SAID SECTION 2 A DISTANCE OF 136.76 FEET TO A POINT; THENCE SOUTH 01 DEGREE 57 MINUTES 43 SECONDS EAST A DISTANCE OF 100.00 FEET TO A POINT ON THE NORTH LINE OF LOT 29, THE LEGENDS AT VILLAGE WEST, THIRD PLAT, THE POINT OF BEGINNING; THENCE CONTINUING SOUTH 01 DEGREE 57 MINUTES 43 SECONDS EAST A DISTANCE OF 317.02 FEET TO A POINT; THENCE SOUTH 88 DEGREES 02 MINUTES 00 SECONDS WEST A DISTANCE OF 186.13 FEET TO A POINT; THENCE NORTH 66 DEGREES 30 MINUTES 29 SECONDS WEST A DISTANCE OF 190.08 FEET TO A POINT; THENCE SOUTH 88 DEGREES 02 MINUTES 00 SECONDS WEST A DISTANCE OF 134.95 FEET TO A POINT; THENCE NORTH 01 DEGREE 58 MINUTES 00 SECONDS WEST A DISTANCE OF 235.32 FEET TO A POINT ON

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THE NORTH LINE OF SAID LOT 29; THENCE NORTH 88 DEGREES 02 MINUTES 00 SECONDS EAST
ALONG THE NORTH LINE OF SAID LOT 29 A DISTANCE OF 492.73 FEET TO THE POINT OF
BEGINNING.

AND

LOTS 21, 24, AND 28, BALLPARK OF VILLAGE WEST, THIRD PLAT, A SUBDIVISION IN KANSAS CITY,
WYANDOTTE COUNTY, KANSAS, PER PLAT THEREOF RECORDED AS DOCUMENT NO. 2006R-07540
IN PLAT BOOK 42 AT PAGE 15.

AND

LOT 32, THE LEGENDS AT VILLAGE WEST, FOURTH PLAT, A SUBDIVISION IN THE CITY OF KANSAS
CITY, WYANDOTTE COUNTY, KANSAS.

AND

LOTS 33 AND 34, THE LEGENDS AT VILLAGE WEST, FIFTH PLAT, A SUBDIVISION IN THE CITY OF
KANSAS CITY, WYANDOTTE COUNTY, KANSAS.

TRACT 2:

LOT 4, THE LEGENDS AT VILLAGE WEST, A SUBDIVISION IN THE CITY OF KANSAS CITY,
WYANDOTTE COUNTY, KANSAS.

TRACT 3:

LOT 7, THE LEGENDS AT VILLAGE WEST, A SUBDIVISION IN THE CITY OF KANSAS CITY,
WYANDOTTE COUNTY, KANSAS.

TRACT 4:

LOT 8, THE LEGENDS AT VILLAGE WEST, A SUBDIVISION IN THE CITY OF KANSAS CITY,
WYANDOTTE COUNTY, KANSAS.

TRACT 5:

LOT 30, BALLPARK OF VILLAGE WEST, THIRD PLAT, A REPLAT OF LOT BLOCK A, TOURISM
DISTRICT, AND PART OF LOT 2, PARKWAY, BALLPARK OF VILLAGE WEST, SUBDIVISIONS LYING
IN FRACTIONAL SECTION 2, TOWNSHIP 11 SOUTH, RANGE 23 EAST, IN KANSAS CITY, WYANDOTTE
COUNTY, KANSAS.

TRACT 6:

LOT 22, BALLPARK OF VILLAGE WEST, THIRD PLAT, A SUBDIVISION LYING IN SECTION 2,
TOWNSHIP 11 SOUTH, RANGE 23 EAST, KANSAS CITY, WYANDOTTE COUNTY, KANSAS

TRACT 7:

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LOT 23, BALLPARK OF VILLAGE WEST, THIRD PLAT, A SUBDIVISION LYING IN SECTION 2, TOWNSHIP 11 SOUTH, RANGE 23 EAST, KANSAS CITY, WYANDOTTE COUNTY, KANSAS.

TRACT 8:

LOT 29, BALLPARK OF VILLAGE WEST, THIRD PLAT, A SUBDIVISION LYING IN SECTION 2, TOWNSHIP 11 SOUTH, RANGE 23 EAST, KANSAS CITY, WYANDOTTE COUNTY, KANSAS.

TRACT 9:

LOT 6, THE LEGENDS AT VILLAGE WEST, A SUBDIVISION IN KANSAS CITY, WYANDOTTE COUNTY, KANSAS.

TRACT 10:

LOT 5, THE LEGENDS AT VILLAGE WEST, A SUBDIVISION IN KANSAS CITY, WYANDOTTE COUNTY, KANSAS.

TRACT 11:

LOT 1, THE LEGENDS AT VILLAGE WEST, A SUBDIVISION IN KANSAS CITY, WYANDOTTE COUNTY, KANSAS.

TRACT 12:

LOT 10, THE LEGENDS AT VILLAGE WEST, A SUBDIVISION IN KANSAS CITY, WYANDOTTE COUNTY, KANSAS.

TRACT 13:

LOT 23, THE LEGENDS AT VILLAGE WEST, THIRD PLAT, A SUBDIVISION IN KANSAS CITY, WYANDOTTE COUNTY, KANSAS.

TRACT 14:

ALL THAT PART OF LOT 26, THE LEGENDS AT VILLAGE WEST, THIRD PLAT, A SUBDIVISION LYING IN THE NORTH HALF OF SECTION 2, TOWNSHIP 11 SOUTH, RANGE 23 EAST, IN KANSAS CITY, WYANDOTTE COUNTY, KANSAS, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF LOT 26, THE LEGENDS AT VILLAGE WEST, THIRD PLAT; THENCE NORTH 72 DEGREES 30 MINUTES 07 SECONDS EAST ALONG THE NORTH LINE OF SAID LOT 26 A DISTANCE OF 148.12 FEET TO A POINT; THENCE SOUTH 17 DEGREES 29 MINUTES 53 SECONDS EAST A DISTANCE OF 248.62 FEET TO A POINT ON THE SOUTHERLY LINE OF SAID LOT 26, SAID POINT LYING ON THE WESTERLY RIGHT OF WAY LINE OF PRAIRIE CROSSING ROAD; THENCE SOUTH 76 DEGREES 38 MINUTES 29 SECONDS WEST ALONG THE SOUTHERLY LINE OF SAID LOT 26 AND ALONG THE WESTERLY RIGHT OF WAY LINE OF PRAIRIE CROSSING ROAD A DISTANCE OF 37.51 FEET TO THE SOUTHERNMOST CORNER OF SAID LOT 26, SAID POINT ALSO LYING ON THE NORTHERLY RIGHT OF WAY LINE OF VILLAGE WEST PARKWAY; THENCE IN A NORTHWESTERLY DIRECTION ALONG THE SOUTHERLY LINE OF LOT 26, THE NORTHERLY RIGHT

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OF WAY OF VILLAGE WEST PARKWAY AND ALONG A CURVE TO THE LEFT WHOSE INITIAL TANGENT BEARS NORTH 63 DEGREES 20 MINUTES 03 SECONDS WEST, HAVING A RADIUS OF 1712.02 FEET, THROUGH A CENTRAL ANGLE OF 6 DEGREES 21 MINUTES 05 SECONDS, AN ARC DISTANCE OF 189.78 FEET TO THE SOUTHWEST CORNER OF SAID LOT 26; THENCE NORTH 20 DEGREES 18 MINUTES 52 SECONDS EAST ALONG THE WESTERLY LINE OF SAID LOT 26 A DISTANCE OF 52.98 FEET TO A POINT; THENCE NORTH 17 DEGREES 29 MINUTES 53 SECONDS WEST ALONG THE WESTERLY LINE OF SAID LOT 26 A DISTANCE OF 79.64 FEET TO THE POINT OF BEGINNING.

TRACT 15:

ALL THAT PART OF LOT 26, THE LEGENDS AT VILLAGE WEST, THIRD PLAT, A SUBDIVISION LYING IN THE NORTH HALF OF SECTION 2, TOWNSHIP 11 SOUTH, RANGE 23 EAST, IN KANSAS CITY, WYANDOTTE COUNTY, KANSAS, DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF LOT 26, THE LEGENDS AT VILLAGE WEST, THIRD PLAT; THENCE NORTH 72 DEGREES 30 MINUTES 07 SECONDS EAST ALONG THE NORTH LINE OF SAID LOT 26 A DISTANCE OF 148.12 FEET TO THE POINT OF BEGINNING; THENCE CONTINUING NORTH 72 DEGREES 30 MINUTES 07 SECONDS EAST ALONG THE NORTH LINE OF SAID LOT 26 A DISTANCE OF 181.88 FEET TO THE NORTHERNMOST CORNER THEREOF; THENCE SOUTH 17 DEGREES 29 MINUTES 53 SECONDS EAST ALONG THE NORTHEASTERLY LINE OF SAID LOT 26 A DISTANCE OF 82.76 FEET TO A POINT; THENCE SOUTH 54 DEGREES 03 MINUTES 09 SECONDS EAST ALONG THE NORTHEASTERLY LINE OF SAID LOT 26 A DISTANCE OF 40.00 FEET TO THE EASTERNMOST CORNER THEREOF, SAID POINT LYING ON THE WEST RIGHT OF WAY LINE OF PRAIRIE CROSSING ROAD; THENCE SOUTH 35 DEGREES 56 MINUTES 51 SECONDS WEST ALONG THE EASTERLY LINE OF SAID LOT 26 AND THE WEST RIGHT OF WAY LINE OF PRAIRIE CROSSING ROAD A DISTANCE OF 227.34 FEET TO THE EAST SOUTHEAST CORNER OF SAID LOT 26; THENCE SOUTH 76 DEGREES 38 MINUTES 29 SECONDS WEST ALONG THE SOUTHERLY LINE OF SAID LOT 26 AND ALONG THE WESTERLY RIGHT OF WAY LINE OF PRAIRIE CROSSING ROAD A DISTANCE OF 23.15 FEET TO A POINT; THENCE NORTH 17 DEGREES 29 MINUTES 53 SECONDS WEST A DISTANCE OF 248.62 FEET TO THE POINT OF BEGINNING.

TRACT 16:

LOT 27, THE LEGENDS AT VILLAGE WEST, THIRD PLAT, A SUBDIVISION IN KANSAS CITY, WYANDOTTE COUNTY, KANSAS.

TRACT 17:

LOT 27, THE LEGENDS AT VILLAGE WEST, THIRD PLAT, A SUBDIVISION IN KANSAS CITY, WYANDOTTE COUNTY, KANSAS.

TRACT 18:

LOT 30, THE LEGENDS AT VILLAGE WEST, THIRD PLAT, A SUBDIVISION IN KANSAS CITY, WYANDOTTE COUNTY, KANSAS.

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TRACT 19:

LOT 22, THE LEGENDS AT VILLAGE WEST, SECOND PLAT, A SUBDIVISION IN KANSAS CITY,
WYANDOTTE COUNTY, KANSAS.

TRACT 20:

LOT 20, THE LEGENDS AT VILLAGE WEST, SECOND PLAT, A SUBDIVISION IN KANSAS CITY,
WYANDOTTE COUNTY, KANSAS.

TRACT 21:

LOT 21, THE LEGENDS AT VILLAGE WEST, SECOND PLAT, A SUBDIVISION IN KANSAS CITY,
WYANDOTTE COUNTY, KANSAS.

ALSO INCLUDING:

Any and all adjacent Right-of-Way with respect to Tracts 1 through 21 above.

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EXHIBIT "C"
ESTIMATED COST

DEVELOPMENT COST ITEM	DEVELOPMENT COST
Land, Building and Garage Construction	\$ 41,427,076
General Conditions	\$ 1,315,000
Professional Services (Eng, Arch, Consult, Legal)	\$ 1,777,810
Financing Costs (Construction Interest Carry & Closing)	\$ 1,114,495
Development Fee	\$ 2,118,304
Hard Cost Contingency	\$ 1,230,212
Soft Cost Contingency	\$ 820,142
TOTAL DEVELOPMENT COST (TOTAL PROJECT BUDGET)	\$ 49,803,036

CID PROJECT COSTS REIMBURSABLE TO DEVELOPER	
Garage Development and Construction Costs*	\$ 13,250,000
Sidewalk, Signage, Connectivity and Off-Site Costs	\$ 750,000
TOTAL CID PROJECT COSTS	\$ 14,000,000

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EXHIBIT D

CID Ordinance

[to be attached upon approval]

EXHIBIT E
ESTIMATED
TOTAL PROJECT BUDGET / CID PROJECT COSTS

DEVELOPMENT COST ITEM	DEVELOPMENT COST*
	\$
Land, Building and Garage Construction	41,427,076
	\$
General Conditions	1,315,000
	\$
Professional Services (Eng, Arch, Consult, Legal)	1,777,810
Financing Costs (Construction Interest Carry & Closing)	\$
	1,114,495
	\$
Development Fee	2,118,304
	\$
Hard Cost Contingency	1,230,212
	\$
Soft Cost Contingency	820,142
TOTAL DEVELOPMENT COST (TOTAL PROJECT BUDGET)	\$ 49,803,038

*Includes \$750,000 of capital improvements to adjoining areas with Legends Outlets and Hotel

CID PROJECT COSTS REIMBURSABLE TO DEVELOPER	
	\$
Garage Development and Construction Costs*	13,250,000
	\$
Sidewalk, Signage, Connectivity and Off-Site Costs	750,000
	\$
TOTAL CID PROJECT COSTS	\$ 14,000,000

* Subject to the limitations in Section 4.8 of the Agreement.

EXHIBIT F

FORM OF CERTIFICATE OF EXPENDITURES

CERTIFICATE OF EXPENDITURES

TO: Unified Government of Wyandotte County/Kansas City, Kansas
Attention: County Administrator

Re: LEGENDS APARTMENTS

Terms not otherwise defined herein shall have the meaning ascribed to such terms in the Legends Apartments and Garage Development Agreement dated as of November 20, 2015 (the "Agreement") between the Unified Government and the Developer.

In connection with the Agreement, the undersigned hereby states and certifies that:

1. Each item listed on Schedule 1 hereto is a Project Cost and was incurred in connection with the construction of the Project.
2. These Project Costs have been paid by the Developer or are eligible to be paid and are reimbursable under the Agreement.
3. Each item listed on Schedule 1 has not previously been paid or reimbursed from money derived from the CID and no part thereof has been included in any other certificate previously filed with the Unified Government.
4. There has not been filed with or served upon the Developer any notice of any lien, right of lien or attachment upon or claim affecting the right of any person, firm or corporation to receive payment of the amounts stated in this request, except to the extent any such lien is being contested in good faith.
5. All necessary permits and approvals required for the work for which this certificate relates were issued and were in full force and effect at the time such work was being performed.
6. All work for which payment or reimbursement is requested has been performed in a good and workmanlike manner and in accordance with the Agreement.
7. The Developer, to its knowledge, is not in default or breach of any term or condition of the Agreement, and no event has occurred and no condition exists which constitutes a monetary or non-monetary default under the Agreement (after any applicable notice and cure period), but subject to the terms of the Agreement.
8. All of the Developer's representations set forth in the Agreement remain true and correct as of the date hereof.

Dated this ____ day of _____, 20 ____.

_____, LLC

By: _____

Name: _____

Title: _____

Approved for Payment this ____ day of _____, 20 ____:

UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS

By: _____

Title: _____

SCHEDULE I
TO
CERTIFICATE OF EXPENDITURES

**Description of
Project Costs**

Cost

Payee

Total Costs:

EXHIBIT G

PILOT Schedule

Value/unit	# units	Projected Value	2015 mill rate	PILOT*	per door taxes
\$58,000.00	250	\$14,500,000.00	174.688	\$300,434	\$1,201.74

*Includes \$9,142 fixed amount

Year	<u>AnnnaI Increases</u>	<u>Annual Increases if Failure on L/M/WBE</u>
1	\$300,000	\$300,000
2	\$303,000	\$306,000
3	\$306,030	\$312,120
4	\$309,090	\$318,362
5	\$312,181	\$324,730
6	\$315,303	\$331,225
7	\$318,456	\$337,850
8	\$321,641	\$344,607
9	\$324,857	\$351,499
10	\$328,106	\$358,529

EXHIBIT H

Insurance Specifications

1. Worker's Compensation. Developer may self-insure, to the extent allowed by applicable law. The self-insured retention shall be that which is standard in the industry. Developer will then purchase excess Worker's Compensation Insurance with statutory limits over the self-insured retention. If self-insurance is not available under applicable state law, coverage will be purchased in accordance with the statutory requirements.
2. Comprehensive General Liability. Developer will purchase and maintain with primary limits of \$3,000,000.
3. Automobile Liability. Developer will purchase and maintain with primary limits of \$1,000,000.
4. Excess Liability. Developer will purchase and maintain excess liability insurance in an amount not less than \$5,000,000.
5. Special Perils Form Property Insurance. Developer will purchase on a replacement cost basis. Deductibles and limits will be standard to those in the industry, and the policy shall include an "Agreed Amount" endorsement. Earthquake and flood insurance, will be included if required and if available at a reasonable cost, fired vessel, boiler and machinery, and underground collapse may be required by the UG as additional perils.

EXHIBIT I
LBE/MBE/WBE GOALS AND REQUIREMENTS

This Exhibit sets forth the guidelines for the utilization of local business, minority, and women enterprises and local resident, minority, and women participation and equal employment opportunity referenced in **Section 8.2** of the Development Agreement for Legends Apartments (the "**Agreement**") between the Unified Government of Wyandotte County/Kansas City, Kansas ("**UG**") and Legends Apartment Legacy, LLC ("**Developer**") in connection with the development of a minimum two-hundred forty-six (246) unit, first-class luxury apartment building along with structured parking and related amenities in Kansas City, Kansas ("**Project**"). The parties agree as follows:

I. SCOPE

These procedures are applicable to the construction of the Project, whether performed by or on behalf of Developer, including, but not limited to, all aspects of the construction of the Improvements and all related facilities, including labor, materials and supplies, and construction-related services, but not including Specialized Services.

II. DEFINITIONS

All capitalized terms used in this Exhibit shall have the meaning ascribed to them in the Agreement and made a part thereof, or as otherwise set forth herein.

- A. "Best Efforts"** has the meaning set forth in Section III.C.3.b. herein.
- B. "Construction"** means all aspects of the construction of the Improvements, all related facilities, and the Project, including labor, materials and supplies, and construction-related services, whether performed or contracted for by or on behalf of Developer.
- C. "Contractor"** means the Proposer selected by Developer for the design, development, or Construction of the Project.
- D. "Local Business Enterprises or LBE"** means a business headquartered or which maintains a major branch that performs the significant functions of the business in Wyandotte County or a business of which at least fifty-one percent (51%) of the stock, equity, or beneficial interest is owned, held, or controlled and whose day-to-day management is under the control of an individual residing in Wyandotte County. There is no formal certification process for LBE designation. It is determined and assigned based on the criteria referenced in this definition and payment of all applicable Wyandotte County taxes and/or licensing fees.
- E. "Local Resident"** means an individual that, during his or her employment with the Project, maintains his or her place of domicile in Wyandotte County.
- F. "Minority Business Enterprise or MBE"** means a business of which at least fifty-one percent (51%) of the stock, equity, or beneficial interest is owned, held, or controlled and/or whose day-to-day management is under the control of a person who is a member of an American ethnic minority group including African-American, Asian-Indian, Asian-Pacific, Hispanic and Native American.

G. "Project" means the Construction of a new first-class luxury apartment building, along with structured parking and related amenities, as legally described in Section 2.2 of and Annex 1 to the Agreement.

H. "Proposer" means a person who submits a proposal in response to a solicitation for proposals issued by Developer or one of its Contractors with respect to the design, development, or Construction of the Project.

I. "Specialized Services" means expertise, services, or products, the application of which are unique to the Construction of the Project and which are only available through sole or limited source providers or national vendors.

J. "Substantial Local Office" means an office operated and financially supported by a firm that has sufficient space, staff, and equipment to carry on the local business of the firm and that is engaged in significant, on-going local involvement with the business community in Wyandotte County, Kansas.

K. "Women Business Enterprise or WBE" means a business of which at least fifty-one percent (51%) of the stock, equity, or beneficial interest is owned, held, or controlled and/or whose day-to-day management is under the control of one or more women who are U.S. citizens or legal resident aliens.

III. DESIGN, DEVELOPMENT, AND CONSTRUCTION OF THE PROJECT

A. GOALS FOR LBE/MBE/WBE PARTICIPATION.

1. Project Design, Development, and Construction Goals.

Developer will use its Best Efforts to meet the following goals based upon the total cost of the Project and all related facilities undertaken by Developer, but not including Specialized Services. In no event shall Developer be required to incur higher costs as a result of its commitment to attempt to meet such goals. These goals are based upon a disparity study performed for the Kansas City Metropolitan Area for LBE, MBE, and WBE participation. These goals are not to act as quotas or set asides.

Business Category	Participation Percentage Goal – Percentage of Total Construction Cost for the Project
LBE	18%
MBE	15%
WBE	7%

It is the intent of the UG to give preference to the utilization of LBEs so long as all other factors relating to the award of an individual contract are equal. If the factors relating to an award of an individual contract are equal, Developer shall give preference to the utilization of LBEs over the utilization of MBEs and WBEs. The Developer shall strive to meet each individual goal listed.

2. Contract Specific Goals.

The parties agree that the goals are set forth for the Project as a whole, excluding Specialized Services, and the UG will reasonably agree to different specific goals for specific contracts or portions of contracts to be awarded by Developer for Specialized Services, when

proposed by the Developer, relating to the Construction of the Project, based upon the availability of qualified LBEs and certified MBEs and WBEs to perform the specific scopes of work delineated in Developer's Construction Utilization Plan (as defined herein).

3. Eligibility for Credit.

a. Only LBE businesses that are qualified and/or MBE or WBE businesses that are certified or undergoing certification at the time of submittal of the subject bid or proposal and ultimately certified as MBEs or WBEs by the Kansas Department of Commerce, State of Missouri, Missouri Department of Transportation, City of Kansas City, Missouri, MidAmerica Minority Business Development Council, Women's Business Enterprise National Council, or any other public or private entity reasonably acceptable to the UG and the Developer (each an "approved" business), may be counted towards the participation goals in Section III.A.1. above.

b. In the event that a contract has been awarded on the Project to an approved LBE/MBE/WBE business, and such LBE/MBE/WBE business later becomes unapproved prior to the completion and acceptance of all the work to be provided under such contract, then Developer shall receive credit towards the goal for only that portion of work performed or services provided up to the point such business becomes unapproved.

4. Construction Workforce.

a. **Recruitment and outreach.** Developer will use its Best Efforts to employ and to ensure its Contractors employ Local Residents, minorities, and women in all aspects of the design, development, and Construction of the Project except for Specialized Services. These efforts shall include but not be limited to:

i. advertising in appropriate publications describing the work available, pay scales, and application procedures and maintaining a log or copies of these ads showing the date of publication and identifying the publication;

ii. working with local community organizations, minority and women's community organizations, and other appropriate organizations to seek qualified Local Residents, minorities, and women (a list of these organizations may be provided by the UG upon request); and

iii. working with the UG to promote diversity and inclusion in all aspects of the Project.

Documentation of these and any other steps taken shall be submitted to the UG prior to the beginning of the bidding process.

b. **Employment Procedures.** Developer and its Contractors shall implement equal employment opportunity hiring and job action procedures as those terms are commonly understood.

B. DEVELOPMENT AND CONSTRUCTION UTILIZATION PLANS.

1. Submissions, Content, and Fulfillment of Project Utilization Plan.

a. Fourteen (14) calendar days before the solicitation of the first proposal for the Construction of part of the Project, which is issued by Developer after the execution of the Agreement, Developer will submit a Project Utilization Plan to the UG for review and approval. The Project Utilization Plan shall be on the form attached to this Exhibit as Attachment A or on another form provided or approved by the UG. This Project Utilization Plan shall set forth, to the best of Developer's knowledge: all categories of work that will be covered within solicitations that Developer or its Contractors intend to issue for all Construction providers necessary for the Construction of the Project; an estimate of the dollar value of all work covered by these solicitations; an estimate of the dollar value of work within each identified work category; the dollar value of the work for each identified work category that is projected to be performed by LBEs, MBEs and WBEs; any known potential joint ventures with LBEs, MBEs, and WBEs within each identified work category; an overall schedule of all work projected to be performed related to the design, development, and Construction of the Project, laid out sequentially over time; and the actions Developer intends to take, with respect to each of these solicitations, to make its Best Efforts to meet the goals set forth in Section III.A.1. of this Exhibit.

b. Developer, in the Project Utilization Plan, shall designate one person as the Project Manager to serve as the point of contact with the UG on all matters related to the Project Utilization Plan. Developer shall provide the Project Manager's name, physical office address, e-mail address, and phone number to the UG. The Project Manager shall be an individual with administrative authority with regard to enforcement of the stipulations located within this Exhibit.

c. The goals of Section III.A.1 may be met by the expenditure of dollars with approved LBE/MBE/WBE prime Contractors, material suppliers (either by Developer or a prime Contractor), subcontractors (either by Developer or a prime Contractor), or through joint ventures with approved LBEs, MBEs or WBEs.

i. Certified MBE and WBE prime Contractor Proposers may count their own participation toward a goal for which they qualify, but may not divide their own participation between two goals. These prime Contractor Proposers shall receive credit towards the goals for the dollar value of the contract.

ii. Approved or certified LBE/MBE/WBE material suppliers, regular dealers, and manufacturers shall be credited towards the goals for the dollar value of the contract.

iii. A joint venture involving an approved LBE/MBE/WBE as a partner may be counted towards the applicable goal only to the extent of the dollar amount that the approved LBE/MBE/WBE is responsible for and at risk, except, however, if the LBE/MBE/WBE is the majority partner in the joint venture, the entire joint venture contract amount shall be counted, less any work subcontracted to the non-LBE/MBE/WBE joint venture partner. To receive credit, the approved LBE/MBE/WBE must be responsible for a clearly defined portion of the work, profits, risks, assets, and liabilities of the joint venture.

iv. Participation by a certified MBE owned by a minority woman may be counted as MBE participation or as WBE participation; however, this participation cannot be double-counted. A certified MBE or WBE may also be counted towards the LBE goal, if qualified as LBE. The amount of participation by these businesses may be divided between the MBE or the WBE goals. A qualified LBE that is certified as MBE and WBE shall be counted toward the LBE and the MBE or WBE goals, but shall not be counted toward both the MBE and WBE goals.

v. Only the participation of LBEs, MBEs, and WBEs that provide a commercially useful function required for the work of the specific solicitation shall be counted toward achievement of the goals. The LBE/MBE/WBE must be responsible for the execution of a distinct element of the work by actually performing, managing, or supervising its function in the work identified in the solicitation. Brokering is not credited. Purchases from LBEs, MBEs, and WBEs that constitute indirect or general overhead costs to a projected Proposer's business may not be counted toward the goals. Costs directly incurred solely to perform the work with respect to a Project contract may be counted toward the goals.

2. Evaluation of Project Utilization Plans.

a. The UG will review Developer's Project Utilization Plan respecting each category of work identified by Developer. In conducting its review, the UG shall evaluate the extent to which the actions Developer proposes to take to meet the goals constitute Best Efforts, as set forth in Section III.C.3.b. below. In no event shall Developer or any of its Contractors be required to engage any LBE/MBE/WBE that is not the low bidder or is not qualified or capable of performing the work to acceptable standards in the reasonable discretion of Developer.

b. No changes to the Project Utilization Plan are permitted after its submission to the UG without the prior submission of the proposed change to the UG and receipt of the UG's written approval, which shall not be unreasonably withheld or delayed.

C. CONTRACT AWARD COMPLIANCE PROCEDURES.

1. Solicitation Documents.

The solicitation documents for each contract for which goals are established shall contain a description of the requirements set forth in this Exhibit; the LBE/MBE/WBE goals; and the areas of projected subcontracting. Five (5) calendar days before the issuance of each solicitation, Developer shall submit the solicitation documents and the bid list to the UG. This submittal is mandatory for each bid subject to LBE/MBE/WBE goals.

2. Developer's Report of Solicitation Results.

Within seven (7) working days after the date set for receipt of proposals by each solicitation issued for Developer for the Construction of the Project, the Project Manager shall submit to the UG, on a form provided or approved by the UG, a Report of Solicitation Results (the "Report") fully describing all proposals received in response to the solicitation. The Report shall: (1) state the estimated total dollar value of the work covered by the solicitation; (2) state the names of all Proposers; (3) state the total dollar value of work covered by proposals submitted by approved LBEs, MBEs, and/or WBEs; (4) provide all relevant information concerning each joint venture Proposer; and (5) state the name of all subcontractors to Proposers (to the extent then

available) that are approved LBEs, MBEs, and/or WBEs, and the dollar value of work covered by proposed subcontracts between Proposers and LBEs, MBEs and/or WBEs. The Report shall also indicate to which of the Proposers, including joint venture Proposers, the Developer or any of its Contractors is intending to award contracts resulting from the solicitation. In addition, with respect to any LBE/MBE/WBE goal established in the Project Utilization Plan that it appears from the proposals received will not be met, Developer shall include in the Report a precise description of all Best Efforts it has undertaken or caused to be undertaken to meet the established goals. These submittals are mandatory for all solicitations subject to LBE/MBE/WBE goals.

3. UG Review of Developer's Report of Solicitation Results.

a. Within seven (7) calendar days of receiving a Report for review, the UG, based on its review of the Report, shall advise Developer whether it appears that, in light of Developer's indication of the Proposers to whom it intends to award contracts, Developer will meet the goals set forth in the Project Utilization Plan or if not, whether Developer has established Best Efforts to meet these goals, and shall state the reasons for this conclusion, referring to the specific Best Efforts criteria contained in Section III.C.3.b. below. As a part of its review, the UG may ascertain whether LBE/MBE/WBE subcontractors agree with the dollar value of the work and the scope of the work, as identified in the proposal.

b. For each Project Utilization Plan goal that is not achieved, Developer shall be deemed to have used Best Efforts to meet the Project Utilization Plan goals for Construction set forth in Section III.A.1. of this Exhibit if Developer shall have taken substantially all the following actions:

i. Developer is seeking or has sought timely assistance of the UG to identify qualified LBEs, MBEs, and WBEs;

ii. Developer is advertising or has advertised contract opportunities in local, minority, and women media;

iii. Developer is providing or has provided reasonable written notice of opportunities and informational meetings to approved LBEs, MBEs, and WBEs;

iv. Developer is following up or has followed up initial solicitations of interest by contacting LBEs, MBEs, and WBEs;

v. Developer is segmenting or has segmented portions of the work to increase the likelihood of LBE/MBE/WBE participation, where feasible;

vi. Developer is providing or has provided interested LBEs, MBEs, and WBEs with timely and accurate information about the plans, specifications, requirements, deadlines, and bidding procedures of the contracts;

vii. Developer is negotiating or has negotiated in good faith with interested LBEs, MBEs, and WBEs, not rejecting them as unqualified without sound reasons, based on a thorough review of their capabilities and prior work histories;

viii. Developer is seeking or has sought to educate and assist LBEs, MBEs, and WBEs in obtaining bonding, lines of credit, or insurance required to perform the contract; and

ix. Developer is working or has worked with local, minority, and women contracting, professional, civic, and community organizations, government officers, and any other organization or persons, as identified by the UG, that provide assistance in the recruitment of LBES, MBES and WBEs.

Failure by the Developer to take all of the foregoing actions shall not be determinative that Developer has not used its Best Efforts.

4. **Signed Contracts.**

Within twenty-one (21) working days of provision of the UG's evaluation of the Report to Developer, the Project Manager shall submit signed contracts with successful Proposers to the UG. This submittal must be made before any contracts are awarded.

D. SUBCONTRACTOR RELATIONS.

1. **Documentation of Subcontracting Agreements.**

All subcontracting services shall be evidenced by a written agreement stating, at a minimum, the scope of work to be performed and the amount to be paid for performance of the work. Unit price subcontracts are acceptable if appropriate to the type of work being performed.

2. **Documentation of Schedules.**

For Construction contracts, the Contractor must present a work schedule that includes when the LBE/MBE/WBE subcontractors will be utilized at the job site. This schedule is due on or before the submission of signed contracts to the UG.

3. **Substitutions, Additions, or Deletions.**

Where a substitution for a LBE/MBE/WBE subcontractor must occur after submission of proposals by the Project Manager to the UG, the Project Manager must submit the proposed change or substitution to the UG for review. The UG shall have no authority to approve or reject any change or substitution. The sole purpose of the review by the UG shall be to determine whether the LBE/MBE/WBE should be counted toward achievement of the goals of Section III.A.1.

IV. UG'S ASSISTANCE TO DEVELOPER

The UG shall use its best efforts to provide assistance to Developer in fulfilling its obligations as set forth in this Exhibit. Developer assumes all responsibility for its Best Efforts in meeting the goals and complying with the procedures and processes set forth herein. The UG assumes no duty or responsibility to the Developer with respect to Developer's fulfillment of the goals set forth in this Exhibit by reason of the provision of assistance to Developer. Examples of assistance the UG may provide include but are not limited to:

A. providing information and technical assistance regarding the Project to Developer and its agents, including Contractors, subcontractors, LBES, MBES, WBEs, officials, and other interested persons;

B. developing and maintaining a registry of approved LBE/MBE/WBE businesses;

C. assisting with identifying potential LBEs, MBEs, and WBEs and reviewing their qualifications to participate in the Project;

D. updating Developer and its agents on current or proposed affirmative action legislation that may affect the Project;

E. recommending contract specific goals, as appropriate;

F. providing assistance in pre-award activities, such as provision of model or example Project Utilization Plans and work segmentation;

G. reviewing Developer, Contractor, and subcontractor performance and LBE/MBE/WBE participation on the Project;

H. providing advice relative to utilization and compliance matters;

I. conducting compliance reviews and audits of LBE/MBE/WBE participation;

J. evaluating requests for substitutions, additions, and deletions;

K. assisting Developer and its agents in addressing issues related to the goals and procedures set forth in this Exhibit;

L. reviewing payments to subcontractors, as documented by monthly reports submitted by Developer;

M. reviewing complaints from LBEs, MBEs WBEs, Contractors, subcontractors, and any other interested persons regarding these goals and procedures;

N. assisting in Developer's development of forms to document compliance with these procedures; and

O. reviewing and approving utilization plans and contract award submittals.

V. DEVELOPER COMPLIANCE RECORDS AND REPORTS.

A. Records. Developer shall maintain those records as may reasonably be required to demonstrate compliance with the goals and procedures set forth in this Exhibit. These records shall be available to the UG upon reasonable notice.

B. Development and Construction Utilization Plan Reports. Developer shall update the Project Utilization Plan quarterly on the form attached hereto as Attachment B or another form provided or approved by the UG and shall include information requested thereon. In addition, each quarterly report shall include the following for each LBE, MBE or WBE whose participation is utilized by Developer to be applied to the goals set forth herein: business name and address of each LBE, MBE and WBE and a brief description of the work to be performed by each. Developer also shall document the change orders to contracts awarded in each quarterly report.

VII. DEVELOPER COMPLIANCE RECORDS AND REPORTS.

A. RECORDS.

Developer shall maintain those records as may reasonably be required to demonstrate compliance with the goals and procedures set forth in this Exhibit. These records shall be available to the UG upon reasonable notice.

B. PROJECT UTILIZATION PLAN REPORTS.

Developer shall provide UG with information sufficient to document the participation under this Exhibit, including monthly compliance reports on the forms attached hereto as Attachments B and C or another form provided or approved by the UG. In addition, each monthly report shall include the following for each LBE/MBE/WBE whose participation is utilized by Developer to be applied to the goals set forth herein: business name and address of each LBE/MBE/WBE; and a brief description of the work to be performed by each. Developer also shall document the change orders to contracts awarded in each monthly report.

C. REMEDIES.

Subject to the provisions of Section 9.1 of the Agreement, if Developer should fail to provide a Report required by this Exhibit, and fail to cure such failure within fourteen (14) days after receipt of written notice from the UG, then such failure to cure shall constitute an event of default and the UG shall have those remedies set forth in Section 9.2 of the Agreement. In addition, the UG shall have the right to stop processing draw requests until Developer complies with reporting requirements.

If, after reviewing Developer's Reports, UG believes that the participation goals contained in this Exhibit have not been met, and that the Best Efforts described herein have not been met, then the UG shall inform Developer of this determination in writing. Remedies shall be available as set forth in the Agreement. In addition, the UG shall have the right to an annual increase of one percent (1%) of the PILOT payments for the term of the IRBs as set forth in Exhibit G attached to the Agreement.

**UNIFIED GOVERNMENT OF WYANDOTTE
COUNTY/KANSAS CITY, KANSAS**

By: _____
Douglas G. Bach
County Administrator
Date: _____, 2015

LEGENDS APARTMENT LEGACY, LLC

By: _____
Name: _____
Title: _____
Date: _____, 2015

Attachment A
Unified Government
Project Utilization Plan

Date: _____

Project Name: _____

Bid Package	Estimated Contract Value	Estimated LBE Value	Estimated LBE %	Estimated MBE Value	Estimated MBE %	Estimated WBE Value	Estimated WBE %	Total Combined Value	Total Combined %
DIVERSITY TOTAL	0			0	#DIV/0!	0	#REF!		

LBE/MBE/WBE - UTILIZATION REPORT
CONSTRUCTION

APPLICABLE TRADES

Discipline	Subcontractor/Supplier Name	Original Contract Value	Change In Contract Value	Total Contract (Excluding OCSP)	LBE		MBE		WBE		Certifying Agency or Local Zip Code
					\$	%	\$	%	\$	%	
Bid Package #1											
Bid Package #2											
Bid Package #3											
Bid Package #4											
Bid Package #5											
Total Applicable Contract Volume Awarded To Date					\$	%	\$	%	\$	%	
					TOTAL - LBE		TOTAL - MBE		TOTAL - WBE		

Attachment C

LBE/MBE/WBE COMPLIANCE

**SUMMARY REPORT
EXPENDITURES FOR REPORTING PERIOD**

GOODS, SUPPLIES, and OTHER SERVICES	Total	Class	Percent	Comments
Total \$ Awarded				
Total \$ Expended				
Total \$ MBE		% MBE		
Total \$ WBE		%WBE		
Total \$ M/WBE		%M/WBE		

MINORITY AND WOMEN EMPLOYEES

List the name, address, trade, classification, date hired, sex and ethnic origin for each minority/women employed by your company.

Name & Address	Trade	Classification	Date Hired	Sex	Ethnic Origin

EXHIBIT J

Required Sidewalks

EXHIBIT K

Form of Collateral Assignment

ABSOLUTE ASSIGNMENT OF CID REVENUES

THIS "ASSIGNMENT" is entered into and effective as of _____, 201__ (the "Effective Date"), by and between **LEGENDS APARTMENTS LEGACY, LLC**, a Kansas limited liability company, whose address for notice purposes is 4717 Central Avenue, Kansas City, Missouri 64112, Attn: Dan Lowe (with a copy to Dentons US LLP, 4520 Main Street, Suite 1100, Kansas City, Missouri 64111, Attn.: John L. Snyder, Esq.) ("**Borrower**"), and **THE UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS** (the "**UG**") whose address for notice purposes is 701 N. 7th Street, Room 323, Kansas City, Kansas 66101, Attn: Unified Government Clerk (with a copy to the County Administrator and Chief Counsel at the same address and to Stinson Morrison Hecker LLP, 1201 Walnut, Suite 2600, Kansas City, Missouri 64106, Attn: Todd A. LaSala, Esq.) in favor of _____, whose address for notice purposes is _____, Attn: _____ (with a copy to _____) ("**Lender**").

RECITALS

The following recitals are a material part of this Agreement:

A. Borrower and the UG entered into that certain Development Agreement dated as of _____, 2015 (the "**Development agreement**"), whereby the UG agreed to assist the Borrower with financing the parking structure, sidewalks, signage and certain other costs in connection with Borrower's construction of a new first-class luxury apartment building (the "**Project**"), which shall be developed and located in Kansas City, Wyandotte County, Kansas on property described on **Exhibit A** attached hereto and incorporated herein (the "**Property**"); and

B. In connection with the Project and pursuant to K.S.A. 12-6a26 *et. seq.* (the "**CID Act**"), the UG has heretofore created the 2105 Village West Community Improvement District (the "**CID**") and will levy and impose a community improvement district sales tax in the amount of 0.60% (the "**CID Sales Tax**") and disburse said CID Sales Tax proceeds to the Borrower to pay for costs incurred in constructing the Project, as contemplated in the Development agreement and in accordance with the CID Act; and

C. In order to induce Lender to extend certain financing for the Project pursuant to a Loan Agreement dated _____, 201__ between Borrower (as "Borrower") and Lender (as "Lender") (the "**Loan Agreement**"), Borrower has agreed to and by these presents does hereby execute this Assignment and hereby makes an absolute assignment of Borrower's right, title, interest in and to the CID Sales Tax becoming due under the Development agreement to Lender ("**CID Revenue**"); and

D. Pursuant to the Loan Agreement, Borrower has executed, or will execute a certain Note in the original total principal amount of \$_____ in favor of Lender (the "**Note**") secured by a Mortgage on the Property (the "**Mortgage**") and other security and collateral assignment documents executed as additional security for the Note described in the Loan Agreement (the "**Loan Documents**"); and

E. Lender has required that Borrower: (i) grant Lender the right to receive and control such CID Revenue that Borrower is entitled to receive under the Development Agreement in

accordance with the CID Act, in an amount up to and including the principal, interest and costs described in the Loan Documents upon disbursement of such CID Revenue by the UG; (ii) take such steps as may be reasonably necessary to evidence and perfect the assignment of (and security interest in) such CID Revenue to Lender in applicable public records; and (iii) direct the UG to forward all CID Revenue to the account described in Section 2 hereof for application to amounts due and owing under the Loan Documents.

NOW, THEREFORE, for and in consideration of the mutual covenants herein contained, the Borrower and the UG agree as follows:

AGREEMENT

1. **Absolute Assignment.** Borrower hereby unconditionally and absolutely: (a) grants, sells, assigns, transfers, conveys and sets over and delivers unto Lender (and grants Lender a security interest in) Borrower's right, title and interest in and to the CID Revenue and all or any portion thereof and all accounts, contract rights, general intangibles and/or proceeds arising from such CID Revenue or any portion thereof that Borrower is entitled to receive under the Development agreement in a total amount equaling the principal, interest and costs described in the Loan Documents; (b) grants to Lender the right to receive and control such CID Revenue and all profits and income related thereto in order to satisfy Borrower's obligations to Lender pursuant to the Loan Documents; and (c) agrees that all of the foregoing sums shall be paid to an account established with Lender upon disbursement by the UG, in accordance with the Development Agreement, to the Borrower at and under the sole control of Lender and shall thereafter be forwarded to Lender for the purposes and in accordance with the terms and provisions provided in this Agreement. Notwithstanding the foregoing, the Lender hereby understands and agrees that (x) the CID Revenue is required to be used for payment or reimbursement of "Project Costs" as defined set forth in the Development Agreement and the CID Act, and accordingly and (y) Lender's application of any such CID Revenue toward the Note or other obligations under the Loan Documents shall be limited and restricted to the extent that Lender's loan proceeds were used to pay Project Costs pursuant to the Development Agreement and the CID Act.

2. **Payment by the UG.** By its execution and delivery of this Agreement to the Lender, the Borrower hereby authorizes and directs the UG to pay all CID Revenue that Borrower is entitled to receive under the Development agreement and the CID Act, up to a total amount equaling the principal, interest and costs described in the Note and Loan Documents, to an account established with Lender, at _____ Bank, _____, Attn: _____ bearing Account Number _____ (the "CID Account"). The UG acknowledges the direction and assignment of the CID Revenue from Borrower to Lender and agrees to pay all CID Revenue to the CID Account as set forth herein.

From and after the Effective Date and so long as no Event of Default has occurred under the Loan Documents, Borrower shall have the right to utilize said funds on deposit in the CID Account with Lender for purposes of paying or reimbursing Project Costs as described in the CID Act and required by the Development agreement. Notwithstanding the foregoing, if an Event of Default occurs under the Loan Documents at any time after the Effective Date, the Lender shall have the absolute ability to utilize funds on deposit in the CID Account with Lender towards the application of the Note, subject always to the terms set forth in Section 1(x) and (y) above.

Such direct payment by the UG of the CID Revenue to the CID Account acts as additional security and provides application to the Note. Such direct payment of the CID Revenue due from time to time shall discharge the UG's obligations under the Development Agreement to the extent such payments are made

and the UG shall have no further liability to the Borrower for the amount of such sums so paid directly to CID Account for application to amounts due and owing under the Loan Documents.

Borrower hereby irrevocably appoints Lender its attorney-in-fact, which appointment shall be deemed to be coupled with an interest solely, to make demand upon the UG for collection of CID Revenue due under said Development agreement and in accordance with the CID Act from time to time, up to an amount equaling the principal, interest and costs described in the Loan Documents, and to receive and make payment directly to Lender for additional security and application to the Note the same pursuant to and in accordance with the terms and provisions of this Agreement, the Loan Documents and the Note.

Upon payment in full of Borrower's indebtedness to the Lender as evidenced by the Loan Documents, this Agreement shall terminate and Lender shall notify the UG of such payment in full. Upon such payment in full, the CID Revenue shall be deemed to be reassigned to the Borrower and the UG shall pay all future CID Revenue the Borrower is entitled to receive under the Development Agreement to or at the direction of the Borrower.

3. Intentionally omitted.

4. Power of Attorney. Borrower hereby irrevocably designates, makes, constitutes and appoints Lender (and all persons and entities designated by Lender), as Borrower's attorney-in-fact, which appointment is deemed to be coupled with an interest subject to the provisions stated herein, with power, without notice to Borrower and at such time or times thereafter as Lender in its sole and absolute discretion may determine, in Borrower's or Lender's name:

(a) to open all envelopes and mail (whether addressed to Borrower and/or Lender) and process all money, checks, and other negotiable instruments received from the UG as all or part of the CID Revenue or other income resulting from Borrower's ownership and/or interest in such CID Revenue or any portion thereof and crediting the same in accordance with the procedures established from time to time by Lender and Borrower;

(b) to take control, in any manner, of any of the money described above;

(c) to do all other acts and things deemed necessary by Lender in its sole and absolute discretion to fulfill Borrower's obligations under this Agreement; and

(d) upon the occurrence of an Event of Default under the Loan Agreement, to make, execute, complete and deliver to the UG all reimbursement requests and such other documents as Lender shall consider necessary or appropriate to obtain reimbursement from the UG pursuant to the Development agreement and in accordance with the CID Act; to comply with all obligations of Borrower under the Development Agreement as Lender shall consider necessary or appropriate under the Development Agreement and generally do, execute and perform any other act, matter, or thing whatsoever that in the opinion of Lender ought to be done, executed or performed in connection with the reimbursement requests from the UG pursuant to the Development Agreement.

5. Disbursement Arrangements. All funds received by Lender from the UG pursuant to this Agreement shall be for the purpose set forth in Section 2 and thereafter applied under the terms of the Loan Documents.

6. Delivery of Documentation. Borrower shall promptly provide Lender with such information as Lender may reasonably request from time to time in order for Lender to verify the proper

application of the CID Revenue and all interest and other income and the application of such amounts in accordance with the terms and provisions of this Agreement, the Development agreement, the Loan Documents and the CID Act.

7. Obligations Secured. The CID Revenue and all interest and other income therefrom or any portion thereof, and the account balance generated from time to time by deposit thereof, shall provide security for any and all indebtedness, liabilities and obligations of Borrower to Lender.

8. Modification of Terms. By execution of this Agreement, all Loan Documents are deemed modified in all respects necessary to implement the terms and provisions of this Agreement. In all other respects, all Loan Documents shall remain in full force and effect as originally written. To the extent that any term or provision of this Agreement, is held or deemed to be inconsistent with any term or provision of any Loan Document, this Agreement shall control.

9. Further Documents, Etc. Borrower shall execute any and all further documents and instruments at any time reasonably required by Lender to provide record notice of this Agreement and the amendments to the Loan Documents, to create, perfect and/or modify the absolute assignment or the liens and security interests granted to Lender under this Agreement in accordance with this Agreement and/or to give effect to the terms and provisions under this Agreement and all Loan Documents.

10. Limitation on the UG and Lender Obligations. Any other term or provision in this Agreement or in any Loan Document or elsewhere to the contrary notwithstanding, the parties hereto acknowledge:

(a) Any and all obligations (including without limitation, fees, claims, demands, payments, damages, liabilities, penalties, assessments and the like) of or imposed upon the UG or its members, officers, agents, employees, representatives, advisors or assigns, whether under this Agreement or any other Loan Document or elsewhere and whether arising out of or based upon a claim or claims of tort, contract, misrepresentation, or any other additional legal theory or theories whatsoever (collectively, the “**UG Obligations**”), shall in all events be absolutely limited obligations and liabilities, payable solely by the Borrower.

(b) The UG Obligations shall not be deemed to constitute a debt or liability of the UG or the State of Kansas or of any political subdivision thereof within the meaning of any state constitutional provision or statutory limitation and shall not constitute a pledge of the full faith and credit of the UG or the State of Kansas or of any political subdivision thereof, but shall be payable solely by the Borrower and shall otherwise impose no liability whatsoever, primary or otherwise, upon the UG or the State of Kansas or of any political subdivision thereof or any charge upon the general credit or taxing power.

(c) In no event shall any member, officer, agent, employee, representative or advisor of the UG, or any successor or assign of any such person or entity, be liable, personally or otherwise, for payment of the CID Revenue or any UG Obligations.

(d) In no event shall this Agreement be construed as:

(i) depriving the UG, of any right or privilege; or

(ii) requiring the UG or any member, officer, agent, employee, representative or advisor of the UG to take or omit to take, or to permit or suffer the taking of, any action

by itself or by anyone else, which deprivation or requirement would violate or result in the UG being in violation of the CID Act, or any other applicable state or federal law.

It is further recognized and agreed that Lender, by entering into this Agreement and receiving Borrower's CID Revenue under the Development Agreement, is not in any way assuming or agreeing to perform any of Borrower's obligations under the Development agreement or with respect to the Project.

11. Default and Remedies. Unless performance is waived by the party for whose benefit a condition or obligation is intended, if any party to this Agreement fails to satisfy its obligations under this Agreement, and if, within 30 days' notice of such default by the non-defaulting party to the defaulting party, the defaulting party shall not have cured such default or commenced such cure and be diligently pursuing the same if such cure would reasonably take longer than said 30-day period (but in any event if the defaulting party shall not have cured such default within 45 days), the non-defaulting party or parties may, then or at any time thereafter, and while such default continues, take any one or more of the following actions:

(a) by mandamus or other suit, action or proceedings at law or in equity, to enforce its or their rights against the defaulting party and their officers, agents and employees, and to require and compel duties and obligations required by the provisions of this Agreement; or

(b) take any other action at law or in equity to enforce this Agreement.

For purposes of this Section 11, the term "defaulting party" shall be deemed to exclude the UG.

12. Rights and Remedies Cumulative. The rights and remedies reserved by the parties and those provided by law shall be construed as cumulative and continuing rights. No one of them shall be exhausted by the exercise thereof on one or more occasions. The parties shall each be entitled to specific performance and injunctive or other equitable relief for any breach or threatened breach of any of the provisions of this Agreement, notwithstanding availability of an adequate remedy at law, and each party hereby waives the right to raise such defense in any proceeding in equity.

13. Waiver of Breach. No waiver of any breach of any covenant or agreement herein contained shall operate as a waiver of any subsequent breach of the same covenant or agreement or as a waiver of any breach of any other covenant or agreement.

14. Severability. If any provision of this Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

15. Execution and Counterparts. This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

16. Amendments. This Agreement shall not be amended except by written agreement of the Borrower, the UG and the Lender.

17. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Kansas.

18. Power of the UG. Notwithstanding anything set forth herein to the contrary, no provision contained herein shall in any manner diminish or usurp the inherent rights and powers of the UG to act in

its capacity as a public body. Further nothing herein shall be deemed to modify the terms and conditions of the Development Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this instrument as of the date first above written.

BORROWER:

LEGENDS APARTMENTS LEGACY, LLC

By: _____
Name: _____
Title: _____

STATE OF _____)
) ss.
COUNTY OF _____)

On this ____ day of _____, 2015, before me, a Notary Public in and for said State, personally appeared _____, _____ of Legends Apartments Legacy, LLC, a Kansas limited liability company, who is personally known to me to be the same person who executed, as such official, the within instrument on behalf of said limited liability company and such person duly acknowledged to me that he executed the same for the purposes therein stated, and that the execution of the same was the free act and deed of said limited liability company.

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

Notary Public

My Commission Expires:

EXHIBIT A

Project Site – Legal Description

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County Administrator's Office
Douglas G. Bach, County Administrator

701 North Seventh Street, Ste. 945
Kansas City, Kansas 66101
(913) 573-5030 • FAX (913) 573-5540

February 1, 2017

Dan Lowe
Legacy Development
4717 Central Street
Kansas City, MO 64112

Re: Development Agreement for Legends Apartments and Garage

Dear Dan:

I am writing in response to your October 4, 2016 letter requesting an extension of time to complete certain conditions required under the Development Agreement for Legends Apartments and Garage (the "Agreement").

As you know, Section 3.1 of the Agreement provides that Public Financing for the project is dependent upon Legends Apartments Legacy, LLC ("Developer") satisfying, among other things, the following conditions by October 31, 2016:

- (a) Developer shall have obtained preliminary site plan and final plan approval for the Parking Improvements and any other required approvals for the Parking Improvements as required by all Applicable Laws and Requirements; provided, however, the preliminary site plan and final plan approval for the Parking Garage shall not be a condition for the issuance of CID Bonds;
- (b) Developer shall provide the Unified Government ("UG") with a loan commitment or similar proof of funds to construct the Project.

As of the date of this letter, the requirements set forth in 3.1(a) and 3.1(b) of the Agreement have not been met by the Developer. However, in order to keep this project on track and moving forward, the Unified Government hereby agrees to extend the deadline to complete these requirements to December 31, 2017 (effectively modifying the Termination date, provided for in Section 3.2, to December 31, 2017, as well).

Sincerely,

Doug Bach
County Administrator

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**FIRST AMENDMENT TO DEVELOPMENT AGREEMENT FOR LEGENDS
APARTMENT AND GARAGE**

This FIRST AMENDMENT TO DEVELOPMENT AGREEMENT FOR LEGENDS APARTMENT AND GARAGE (this "**Amendment**") dated January 28, 2018, is made and entered into by and between the Unified Government of Wyandotte County/Kansas City, Kansas (the "**UG**"), and Legacy KCK Westside Venture, LLC, a Kansas limited liability company and successor-in-interest to Legends Apartments Legacy, LLC, a Kansas limited liability company ("**Developer**").

RECITALS

A. The UG and Developer entered into that certain Development Agreement for Legends Apartments and Garage dated November 20, 2015, as modified by that certain letter dated February 1, 2017, from Douglas G. Bach, County Administrator of the UG, to Dan Lowe of Legacy Development (together, the "**Agreement**") with respect to, among other things, the design, development, and construction of a first-class luxury apartment building, along with structured parking and related amenities, on certain real property generally located adjacent to the Legends Shopping Center on the south side of Parallel Parkway, east of 110th Street in Kansas City, Kansas, all as more particularly described in the Agreement. All capitalized terms which are not otherwise defined herein shall have the meanings assigned to them in the Agreement.

B. Since the time that the parties entered into the original Agreement, the construction costs of the Project have increased and the parties have therefore agreed to increase the CID Cap. Additionally, the original CID for the Project was approved by the passage of CID Ordinance No. O-4-16 by the UG's Commission on January 7, 2016 (the "**Original CID**"), and the Original CID commenced collection of CID Sales Tax on July 1, 2016, but the parties now desire to terminate the Original CID and replace it with a new CID (as described in Recitals C and D below).

C. On or about November 16, 2017, Developer submitted a CID Petition (the "**CID Petition**") to the UG requesting the formation of a new CID encompassing all of the Project Site and certain portions of the Village West Shopping Center (the "**CID District**"), a legal description of which CID District is set forth on **Exhibit B-1 (Amended – 2017)** and the boundaries of which are depicted on **Exhibit B-2 (Amended -2017)** attached hereto. The CID District is for certain eligible improvements as set forth in Article 4 of the Agreement and more particularly identified on **Exhibit E (Amended – 2017)** attached hereto. A copy of the CID Petition is attached hereto as **Exhibit C (Amended – 2017)**.

D. On December 21, 2017, the UG considered and approved the creation of the new CID District through the passage of an ordinance (the "**CID Ordinance**") pursuant to the CID Act. As contemplated in the CID Petition, the CID Ordinance called for the imposition of a CID Sales Tax of 1.0% within the CID District to be collected and disbursed on a pay-as-you-go basis to reimburse certain CID Project Costs, and potentially through the issuance of bonds to pay for and/or reimburse certain CID Project Costs (as defined in Section 4.1 of the Agreement) relating to the CID District. The CID Ordinance also specifies that the CID Sales Tax is to commence on

April 1, 2018. The CID Ordinance, if approved, shall subsequently be attached hereto as **Exhibit D (Amended – 2017)**.

E. Additionally, the UG is entering into a new Development Agreement (the "**West Lawn Agreement**") with W-LD Legends Owner VII, L.L.C., a Delaware limited liability company (the "**Shopping Center Developer**") to use a portion of the CID Sales Tax revenue derived from the CID to perform certain improvements in and to the Legends Shopping Center which is located adjacent to the Project Site but within the CID District, which improvements include site work, signage, an LED board and new facades (the "**West Lawn Project**"). The increase in the CID Sales Tax and projected revenue in the new CID Petition and the new CID Ordinance is partially attributable to the costs of the West Lawn Project, the design, construction and operation of which shall be governed by the terms and conditions of the West Lawn Agreement.

F. The UG and Developer hereto desire to amend the Agreement, all as more particularly set forth below.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the UG and Developer agree as follows:

1. **CID Exhibits**. All of the references to the "CID", the "CID Petition," the "CID Ordinance" and the "CID District" in the Agreement shall be deemed to mean the CID, the CID Petition, the CID Ordinance and CID District as described in Recitals C and D of this Amendment, and the related exhibits to the Agreement shall be modified as follows:

(a) The legal description for the CID District set forth on **Exhibit B-1** of the original Agreement shall be deleted and replaced with **Exhibit B-1 (Amended – 2017)**, which is attached to this Amendment.

(b) The map for the CID District set forth on **Exhibit B-2** of the original Agreement shall be deleted and replaced with **Exhibit B-2 (Amended – 2017)**, which is attached to this Amendment.

(c) The CID Petition set forth on **Exhibit C** of the original Agreement shall be deleted and replaced with **Exhibit C (Amended – 2017)**, which is attached to this Amendment.

(d) The approved CID Ordinance for the original Project and set forth on **Exhibit D** of the original Agreement shall be deleted and replaced with the new CID Ordinance for the Legends Garage and Lawn which is attached to this Amendment as **Exhibit D (Amended – 2017)**.

2. **PILOT Schedule**. The parties hereby agree that **Exhibit G** to the original Agreement shall be deleted and replaced with **Exhibit G (Amended – 2017)** which is attached to this Amendment. All references in the Agreement to "PILOTs" or "PILOT payments" in the Agreement shall hereafter be deemed to mean the PILOTs identified on Exhibit G (**Amended – 2017**). Additionally, the parties hereby agree that the second full paragraph of Section 5.1 of the Agreement shall be modified to read as follows:

"The parties hereby understand and agree that the IRBs shall be issued on a date as mutually agreed and shall mature and be redeemed ten (10) years after such issuance, and that during the term of the IRBs, Developer shall pay a 100% payment-in-lieu-of-tax ("PILOT") pursuant to the schedule attached hereto as **Exhibit G (Amended – 2017)**. The parties acknowledge that the PILOT was determined based on a projected per unit value of \$65,000 with an assumed three hundred (300) units. If the ultimate number of units in the Project shall be greater than or less than three hundred (300), then the amount of the PILOT payment shall necessarily increase based on the per unit value of \$65,000. Additionally, the parties hereby understand and agree that the amount of the PILOT for years two (2) through ten (10) of the IRB term shall be increased in accordance with **Exhibit G (Amended – 2017)** based on whether or not the Developer fully complies with the terms and conditions of Section 8.2 (LBE/MBE/WBE Employment Opportunity Goals) hereof, with respect to the Improvements."

3. **Total Project Costs Budget/CID Project Costs.** The parties hereby agree that **Exhibit E** to the original Agreement shall be deleted and replaced with **Exhibit E (Amended – 2017)** which is attached to this Amendment, and that all references to the "Total Project Costs Budget", the "CID Project Costs" and/or the CID Improvements in the Agreement shall hereafter be deemed to mean the costs and improvements identified on **Exhibit E (Amended – 2017)** attached hereto.

4. **Development of the Project Site; Section 2.**

(a) Subsection 2.2(a) is hereby amended as follows:

(i) deleting the phrase "\$1.15 per square foot" and inserting the phrase "\$1.35 per square foot;"

(ii) deleting the phrase "no less than two hundred forty (240) total units" and inserting the phrase "no less than two hundred sixty-five (265) total units."

(b) Subsection 2.2(c) is hereby amended as follows:

(i) The first sentence of subsection 2.2(c) shall be deleted in its entirety and replaced with the following:

"The Project shall include a three-level structured parking facility with no less than six hundred fifteen (615) total parking spaces (the "**Parking Improvements**"), which shall include at least three hundred fifty (350) public parking spaces (the "**Public Parking**"), and the remaining approximately two hundred sixty five (265) parking spaces to reflect one (1) dedicated space for each apartment unit in the apartment building, which Parking Improvements shall be owned, maintained and operated by the Developer, but the Public Parking shall provide public parking at no charge during the Term of this Agreement for patrons of the various retail, entertainment and sports venues within Village West (the "**Village West Patrons**").

(c) Subsection 2.2(e) is hereby amended as follows:

(i) By deleting the last sentence of subsection 2.2(e) in its entirety and replacing it with the following:

"In the event that Developer does not construct such sidewalks, curbs and other improvements required herein (on either the South or North side of Stadium Parkway), then the CID Cap shall be automatically reduced by an amount equal to Five Hundred Twenty Five Thousand and No/100 Dollars (\$525,000) and the total CID Cap shall thereafter be Sixteen Million Nine Hundred Seventy Five Thousand Dollars (\$16,975,000).

5. **Termination.** Subsection 3.2 is hereby amended as follows:

(a) by deleting the phrase "on or prior to October 31, 2016" and inserting the phrase "on or prior to October 31, 2018"; and

(b) by deleting the phrase "cannot be issued by July 31, 2016" and inserting the phrase "cannot be issued by July 31, 2018".

6. **CID Rate.** Subsection 4.2 is hereby amended as follows:

(a) by deleting the phrase "in the amount of 0.6%" and inserting the following phrase in its place "in the amount of 1.0%".

7. **Pay-As-You-Go-Financing.** Subsection 4.4 is hereby amended as follows:

(a) by deleting the phrase "to reimburse Developer for CID Project Costs" and inserting the following phrase in its place "to pay or reimburse Developer for CID Project Costs".

8. **Pay-As-You-Go-Financing.** In connection with Section 4.4 of the Agreement, the parties hereby agree as follows:

(a) Subsection 4.4(a) is hereby amended as follows:

(i) by deleting the phrase "for reimbursement of CID Project Costs" and inserting the following phrase in its place "for payment or reimbursement of CID Project Costs"; and

(ii) by deleting the phrase "shall in no event exceed \$14,000,000 (the "CID Cap")" and inserting the phrase "shall in no event exceed \$17,500,000 (the "CID Cap")."

(b) For purposes of clarification in subsection 4.4(b) in connection with the definition of the CID Collection Period, the parties hereby specifically agree that the references to the date that the CID Sales Tax is first imposed within the CID District shall be deemed to mean the date of imposition of the new CID Sales Tax for the new CID as described in Recitals C and D of this Amendment, and not the imposition of the CID Sales Tax for the Original CID. Similarly, the references to the "CID Project Costs", the "CID Cap" and the "CID Sales Tax" shall all be

deemed to mean the new CID as described in Recitals C and D of this Amendment, and not the Original CID.

9. **The Original CID.** The UG shall request that the DOR cease collection of the CID Sales Tax on the Original CID as of March 31, 2018 but only after or in conjunction with the UG requesting that the DOR commence collection of the CID Sales Tax on the new CID. The CID Sales Tax revenues collected from the Original CID (the "Original CID Proceeds") shall be paid or reimbursed to Developer as Pay-As-You-Go CID Financing pursuant to the terms and conditions set forth in Section 4.4 and 4.7 of the Agreement, and the CID Cap hereunder shall be reduced by an amount equal to any such Original CID Proceeds which are disbursed to Developer hereunder. Following distribution of all of the Original CID Proceeds to Developer, the UG shall terminate the Original CID. Developer hereby consents and fully agrees to the termination of the Original CID and hereby agrees to cooperate with the UG in taking such actions as may be necessary to terminate such Original CID.

10. **CID Bonds.** Subsection 4.5(a) of the Agreement is hereby deleted in its entirety and replaced with the following:

(a) **CID Bond Revenue Fund and CID Bond Project Fund.** When and if CID Bonds are issued by the UG for the Project and the West Lawn Project, the CID Proceeds from the District shall be deposited into a fund which shall be created and administered by the UG or its designee and which will be described and defined in the Bond Documents and which, for purposes of this Agreement shall be referred to as the "CID Bond Revenue Fund". The net CID Bond Proceeds shall be deposited into a fund which shall be created and administered by the UG or its designee and which will be described and defined in the Bond Documents and which, for purposes of this Agreement shall be referred to as the "CID Bond Project Fund". The CID Bond Project Fund shall include two (2) separate accounts: (i) a "Garage Account" for the Project, and (ii) a "West Lawn Account" for the West Lawn Project. The amount of net CID Bond Proceeds deposited into the Garage Account shall be equal to the CID Cap for the Project (as described in this Agreement and as the same may be adjusted pursuant to the terms and conditions of this Agreement). The amount of net CID Bond Proceeds deposited into the West Lawn Account shall be equal to the CID Cap for the West Lawn Project (as described in the West Lawn Agreement and as the same may be adjusted pursuant to the terms and conditions of the West Lawn Agreement). In no event shall the net CID Bond Proceeds in the Garage Account be commingled with the net CID Bond Proceeds in the West Lawn Account. The parties further agree as follows:

(i) Developer hereby waives any right, title or claim to any portion of the net CID Bond Proceeds deposited into the West Lawn Account and Developer hereby agrees that the UG may freely disburse the net CID Bond Proceeds in the West Lawn Account to the Shopping Center Developer without interference from, or any liability to, the Developer whatsoever.

(ii) In the event of any dispute between Developer and the Shopping Center Developer over the CID Proceeds in the CID Bond Revenue Fund or the CID Bond Project Fund, Developer hereby specifically agrees to waive any claims against the UG and to hold the UG harmless from any claims, disputes or liabilities in connection with said dispute provided that the UG only disburses CID Proceeds from the Garage Account to Developer and only disburses CID Proceeds from the West Lawn Account to the Shopping Center Developer.

(iii) In the event that the public sale of the CID Bonds yields net CID Bond Proceeds equal to an amount which is less than \$26,500,000, then Developer and the Shopping Center Developer shall mutually agree upon the specific amounts of net CID Bond Proceeds to be funded into the Garage Account and the West Lawn Account, which amounts may be less than the CID Cap for the Project set forth herein and the CID Cap for the West Lawn Project as set forth in the West Lawn Agreement, respectively.

(iv) The CID Sales Tax in the CID Bond Revenue Fund will be utilized to first pay principal and interest payments required under CID Bonds at such times as such payments may be required under the Bond Documents. The specifics of the issuance and repayment of the CID Bonds for the Project (and the West Lawn Project) shall be in accordance with the Bond Documents, to be approved by ordinance of the UG, in accordance with this Agreement and the West Lawn Agreement.

(v) The net CID Bond Proceeds in the Garage Account shall be disbursed by the Bond Trustee for the purpose of funding or reimbursing the Developer for the CID Project Costs in accordance with the terms of this Agreement and the Bond Documents. Disbursements from the CID Bond Revenue Fund shall be as provided in the Bond Documents.

11. **Certificate of Expenditures.** Subsection 4.7(e)(4) is hereby amended as follows:

(a) by deleting the phrase “and reimburse Developer for financing the cost” and inserting the following phrase in its place “and pay or reimburse Developer for financing the cost”.

12. **Line Items.** Subsection 4.8 is hereby amended as follows:

(a) by deleting the amount “\$13,250,000” and inserting the following amount in its place “\$16,750,000”; and

13. **Industrial Revenue Bonds.** Subsection 5.1 is hereby amended as follows:

(a) by deleting the phrase “construction materials” and inserting the phrase “construction materials, equipment and furnishings.”

(b) by adding the following sentence to the end of the first paragraph of 5.1: "Developer agrees to pay all costs and expenses related to the issuance of the IRBs, including without limitation the UG issuance fees.

14. **Completion Date.** Subsection 6.8 is hereby amended as follows:

(a) by deleting the date "April 30, 2018" and inserting the date "December 31, 2020."

15. **Prohibition on Sales, Etc.** Subsection 7.13 is hereby amended as follows:

(a) by deleting the name "Legends Apartments Legacy, LLC" in the two places it appears and inserting in its place "Legacy KCK Westside Venture, LLC"; and

(b) by deleting the name "KKR and Legacy Development" and inserting in its place "Legacy Development"; and

(c) by deleting the name "KKR/Legacy Development in the two places it appears and inserting in its place "Legacy Development".

16. **LBE/MBE/WBE Employment Opportunity Goals.** The parties hereby agree that Section 8.2 of the Agreement is hereby deleted in its entirety and replaced with the following:

"8.2 **LBE/MBE/WBE Employment Opportunity Goals.** Developer agrees to comply with the goals set forth on **Exhibit I**, attached hereto and made a part hereof, in order to identify and provide employment opportunities for local businesses and contractors, women and local minority owned businesses. In the event Developer shall fail to use Best Efforts, as defined in **Exhibit I**, when following the guidelines for utilization of the LBE/MBE/WBE participation, as set forth on **Exhibit I** for the Project, as defined in **Exhibit I**, then (a) the PILOTs shall be increased as set forth in **Exhibit G (Amended - 2017)**, and (b) the CID Cap shall be automatically reduced by an amount equal to \$875,000, and the remedies described in (a) and (b) of this Section shall be the UG's sole and exclusive remedies."

17. **Notices.** Subsection 10.11 is hereby amended by deleting the language beginning with "and to Developer at" and ending with the language "Facsimile: (816-531-7545" and inserting in its place the following:

and to Developer at:

c/o Legacy KCK Westside Venture, LLC
4717 Central
Kansas City, Missouri 64112
Attn: Dan Lowe
Telephone: 816-777-3500
Facsimile: 816-777-3501

with a copy to:

c/o Legacy VI
6501 Red Hook Plaza
Suite 201 PMB 547
St. Thomas, VI 00802
Attn: Dan Lowe

And with a copy to:

Rouse Frets Gentile Rhodes, LLC
5250 W. 116th Place, Ste. 400
Leawood, Kansas 66211
Attention: Greg L Musil
Telephone: (913) 387-1600
Facsimile: (913) 928-6739

18. **Assignment.** The UG acknowledges, consents and hereby agrees to the assignment of the Agreement by Legends Apartments Legacy, LLC, a Kansas limited liability company, to Developer Legacy KCK Westside Venture, LLC as an Approved Assignment under Section 7.13 of the Agreement, subject to all of the terms and conditions thereof.

19. **Recitals and Definitions.** The parties acknowledge that the Recitals set forth above are true and correct and are hereby incorporated into the body of this Amendment.

20. **No Further Modification.** Except as expressly set forth in this Amendment, all terms and provisions of the Agreement are hereby confirmed and remain unmodified and in full force and effect, such terms and provisions being hereby incorporated herein for all purposes.

21. **Conflict or Inconsistency.** In the event of any conflict or inconsistency between the terms and provisions of this Amendment and the terms and provisions of the Agreement, the terms and provisions of this Amendment shall control.

22. **Multiple Counterparts.** This Amendment may be executed in any number of counterparts, each of which may be executed by only one party, which shall be enforceable against the parties actually executing such counterparts, and all of which together shall constitute one instrument. Delivery by facsimile or electronic transmission of an executed counterpart of any signature page to this Amendment to be executed hereunder shall have the same effectiveness as delivery of a manually executed counterpart thereof.

[Remainder of page intentionally left blank. Signature pages immediately follow.]

Developer:

Legacy KCK Westside Venture, LLC,
A Kansas limited liability company

By: ML

Name: DAN LOWE

Its: MANAGER

STATE OF Missouri)

COUNTY OF Jackson)

) SS.

This instrument was acknowledged before me on January 26 2018, by
Dan Lowe as the Manager of Legacy KCK Westside Venture, LLC.

Printed Name: Heather L Trower

Notary Public in and for said State

Commissioned in Jackson County

My commission expires

11-19-21

[Seal]

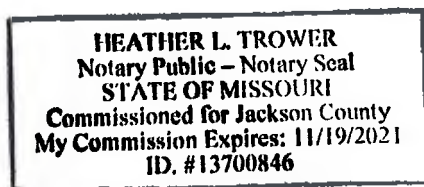


Exhibit B-1 (Amended -2017)
CID District – Legal Description

Part of platted land in Section 02, Township 11 South, Range 23 East, being part of The Legends at Village West, all of The Legends at Village West, Second Plat, all of The Legends at Village West, Third Plat, all of The Legends at Village West, Fourth Plat, all of The Legends at Village West, Fifth Plat and part Ballpark of Village West, Third Plat, all being subdivisions in Kansas City, Wyandotte County, Kansas and being more particularly described as follows:

Beginning at the Northeast corner of Lot 22, of said The Legends at Village West, Second Plat, said point also being the point of intersection of the South Right-of-Way line of said Parallel Parkway and the West Right-of-Way line of said Interstate Highway No. 435, as both are now established; thence Southeasterly, along the East line of said The Legends at Village West, Second Plat and along the West Right-of-Way line of said Interstate Highway No. 435, to the Southeast corner of said Lot 22, said point also being the point of intersection of the West Right-of-Way line of said Interstate Highway No. 435 and the North Right-of-Way line of Troup Avenue, as now established; thence West, departing the West Right-of-Way line of said Interstate Highway No. 435, and along North Right-of-Way line of said Troup Avenue, and along its Westerly prolongation, to the point of intersection of the Westerly prolongation of the North Rightof-Way line of said Troup Avenue and the Westerly Right-of-Way line of Prairie Crossing Street, said point also being on the Easterly line of The Legends at Village West, Third Plat; thence Southerly and Southwesterly, along the Westerly and Northwesternly Right-of-Way line of said Prairie Crossing Street, and along the Easterly line of said The Legends at Village West, Third Plat and along the Easterly line of said The Legends at Village West, to the most Southerly corner of Lot 1, of said The Legends at Village West, said point also being the point of intersection of the Northwesternly Right-of-Way line of said Prairie Crossing Street and the Northeasterly Right-of-Way line of State Avenue, as now established; thence Northwesternly, departing the Northwesternly Right-of-Way line of said Prairie Crossing Street, and along the Southwesterly line of said The Legends at Village West, and along the Northeasterly Right-of-Way line of said State Avenue, to the Southwest corner of Lot 4, of said The Legends at Village West, said point also being the point of intersection of the Northeasterly Right-of-Way line of said State Avenue and the Easterly Right-of-Way line of Sunflower Lane, as now established; thence Northerly and Northeasterly, departing the Northeasterly Right-of-Way line of said State Avenue, and along the West line of said The Legends at Village West and along the Easterly Right-of-Way line of said Sunflower Lane and along its Northerly prolongation, to the point of intersection of the Northerly prolongation of the East Right-of-Way line of said Sunflower Lane and the Northeasterly Right-of-Way line of Village West Parkway, as now established, said point also being on the Southwesterly line of said The Legends at Village West, Third Plat; thence Northwesternly, along the Northeasterly Right-of-Way line of said Village West Parkway and along the Southwesterly line of said The Legends at Village West, Third Plat, to the point of intersection of the Northeasterly Right-of-Way line of said Village West Parkway and the Northeasterly prolongation of the Northerly Right-of-Way line of Stadium Parkway, as now established; thence Southwesterly, departing the

Southwesterly line of said The Legends at Village West, Third Plat and along the Northerly Right-of-Way line of said Stadium Parkway and its Northeasterly prolongation, to the Southwest corner of Lot 22, of said Ballpark of Village West, Third Plat, said point also being the point of intersection of the North Right-of-Way line of said Stadium Parkway and the East Right-of-Way line of 110th Street, as now established; thence North, departing the North Right-of-Way line of said Stadium Parkway and along the West line of said Ballpark of Village West, Third Plat, and along the East Right-of-Way line of said 110th Street, to the Southwest corner of Lot 24 of said Ballpark of Village West, Third Plat; thence East, departing the East Right-of-Way line of said 110th Street, and the West line of said Ballpark of Village West, Third Plat, and along the South line of said Lot 24, to the Southeast corner of said Lot 24, said point also being the Southwest corner of Lot 28, of said Ballpark of Village West, Third Plat; thence North, along the West line of said Lot 28, to the Northwest corner of said Lot 28, said point also being on the North line of said Ballpark of Village West, Third Plat, said point also being on the South Right-of-Way line of Parallel Parkway; thence East, along the North line of said Ballpark at Village West, Third Plat, and along the North line of said The Legends at Village West, Fifth Plat, and along the North line of said The Legends at Village West, Third Plat, and along the North line of said The Legends at Village West, Fourth Plat, and along the North line of said Legends at Village West, Second Plat, and along the South Right-of-Way line of said Parallel Parkway, to the Point of Beginning.

Except that part platted as Lot 28, THE LEGENDS AT VILLAGE WEST THIRD PLAT, a subdivision of land in Kansas City, Wyandotte County, Kansas.

Exhibit B-2 (Amended -2017)
CID District – Map

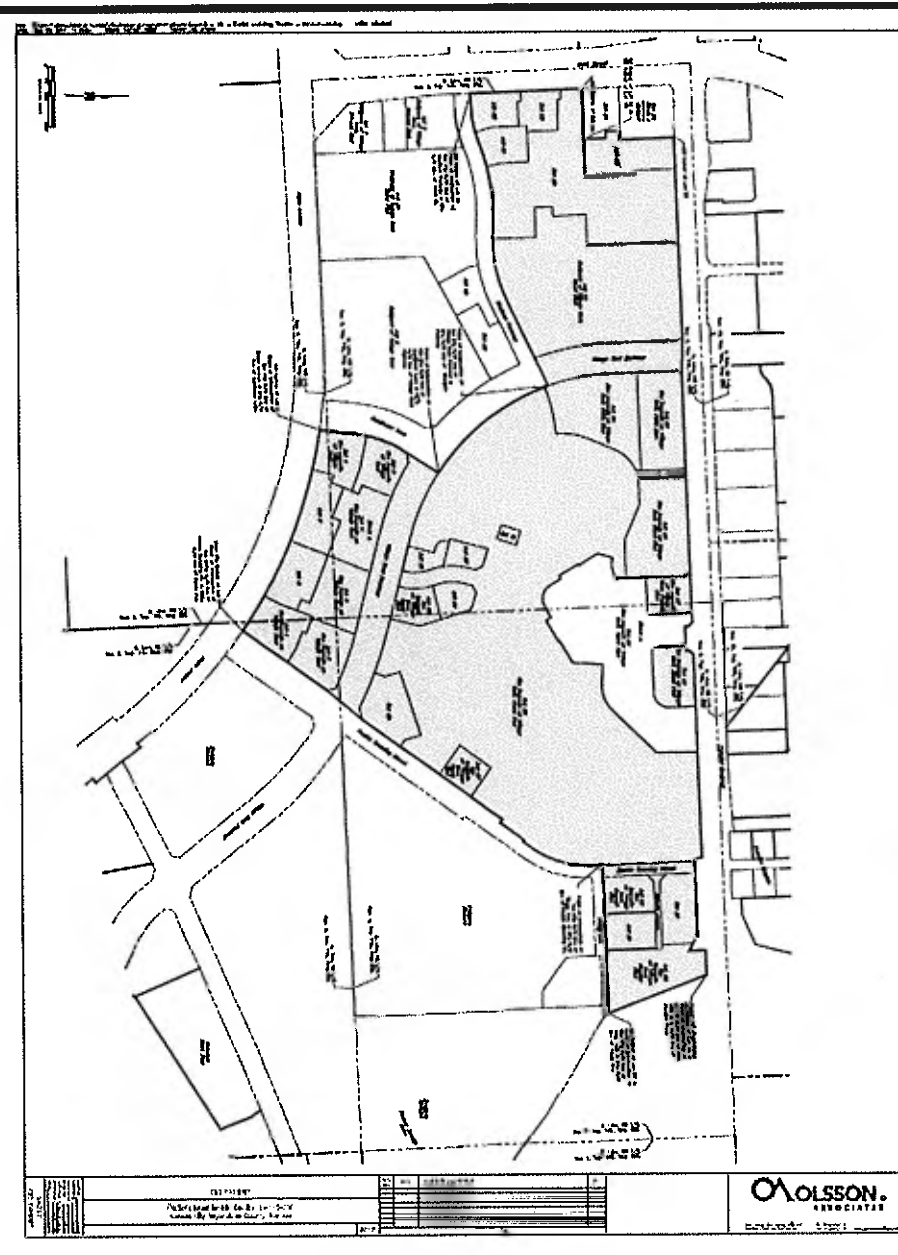


Exhibit C (Amended -2017)
CID Petition

FILED

NOV 16 2017

PETITION FOR THE CREATION OF A
COMMUNITY IMPROVEMENT DISTRICT
(LEGENDS GARAGE AND LAWN)

UNIFIED GOVERNMENT CLERK

TO: The Governing Body
Unified Government of Wyandotte County/Kansas City, Kansas

The undersigned ("Petitioners"), being the owners of record, whether residents or not, of the following:

1. More than fifty-five percent (55%) of the land area contained within the hereinafter described community improvement district (excluding public right-of-way); and
2. More than fifty-five percent (55%) by assessed value of the land area contained within the hereinafter described community improvement district (excluding public right-of-way).

hereby petition the Unified Government of Wyandotte County/Kansas City, Kansas (the "UG" or "Municipality") to create the Legends Garage and Lawn Community Improvement District ("CID") and authorize the proposed CID project (the "CID Project") hereinafter set forth, all in the manner provided by K.S.A. § 12-4a26, et seq. (the "Act"). In furtherance of such request, the Petitioners state as follows:

1. GENERAL NATURE

The general nature of the proposed CID Project consists of the development of the property and surrounding area into a luxury apartment complex, adjacent parking garage for residents of the apartments and for visitors and customers of the Legends/Village West shopping district, and common area amenities potentially containing the following, all in the vicinity of the southeast quadrant of Village West Parkway and Parallel Parkway within the City:

- a. Residential and multi-family development;
- b. Associated parking, transportation, infrastructure improvements and common area improvements.

2. GOY FOR

The Petitioners certify to the UG that but for the creation of the CID and the anticipated payment or reimbursement of the costs of the Project with revenue from the CID Sales Tax (as defined below), the Project would not occur.

3. ESTIMATED COST

The proceeds from the CID Sales Tax shall be available to the named developer under a revolving credit between the developer and the UG for payment or reimbursement of CID

Project Costs but shall in no event exceed \$26,500,000 (the "CID Cap") cumulatively for the CID Project. The CID Cap shall for all purposes set forth herein, operate as a cap on the use of CID Sales Tax for payment or reimbursement of any and all CID Project Costs and such CID Cap shall not include and shall be net of: (i) any Construction Period Interest (as defined below), (ii) costs of issuance of any notes or bonds and (iii) interest on CID Project Costs pursuant to any notes or bonds. Once payment or reimbursement to the applicable developers equals the CID Cap for payment or reimbursement of CID Project Costs and any outstanding obligations have been repaid, the parties understand and agree that the CID shall thereafter terminate, and the CID Sales Tax shall terminate and no longer be levied or collected within the District. For the purposes of this Petition, "Construction Period Interest" shall be defined as the interest accrued on money borrowed to pay for the CID Project Costs during the period of construction of the Project, in accordance with K.S.A. § 12-6a27(f). For purposes of this Petition, the term "CID Project Costs" means those costs eligible to be paid or reimbursed from CID Proceeds for the Project in accordance with K.S.A. § 12-6a26, *et seq.* and the estimated budget attached hereto as Exhibit C.

4. **PROPOSED METHOD OF FINANCING**

The proposed method of financing a portion of the CID Project is through a combination of private equity, private debt and CID Financing, either as pay-as-you-go financing or through the issuance of special obligation bonds, both as defined in the Act.

5. **PROPOSED METHOD AND AMOUNT OF ASSESSMENT**

It is not being proposed that the Project be financed through the levying of assessments.

6. **PROPOSED AMOUNT OF SALES TAX**

It is being proposed that the Project be financed in part through the levying of a 1.0% CID sales tax as authorized by the Act (the "CID Sales Tax").

7. **MAP AND LEGAL DESCRIPTION OF THE PROPOSED CID**

A map of the CID is attached hereto at Exhibit A. The legal description of the CID is attached hereto at Exhibit B.

8. **LIMITATION ON USE OF REVENUE**

Revenue produced from the CID Sales Tax shall be limited to the payment or reimbursement of costs associated with the preparation of studies, site design, analysis, legal and any other such costs as might be permitted to be paid or reimbursed under the Act.

9. NOTICE TO PETITION SIGNER

NAMES MAY NOT BE WITHDRAWN FROM THIS PETITION BY THE SIGNERS HEREOF AFTER THE UG COMMENCES CONSIDERATION OF THIS PETITION, OR LATER THAN SEVEN (7) DAYS AFTER THE FILING HEREOF WITH THE UG CLERK, WHICHEVER OCCURS FIRST.

10. SEVERABILITY

If any provision of this Petition shall be held or determined to be invalid, inoperative or unenforceable as applied in any particular case, or in all cases, because it conflicts with any other provision or provisions of this Petition or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance, or of rendering any other provision contained in this Petition invalid, inoperative or unenforceable to any extent whatsoever.

IN WITNESS WHEREOF, on the date(s) set forth below the undersigned Petitioners have executed the above foregoing Petition to create the Legends Garage and Lawn Community Improvement District.

No further text on this page

W-LD LEGENDS OWNER VII, L.L.C.,
a Delaware limited liability company

By: W-LD Legends Holdings VII, L.L.C.,
a Delaware limited liability company,
its Sole Member

By: W-LD Legends Investors VII, L.L.C.,
a Delaware limited liability company,
its Sole Member

By: Walton Acquisition REOC Holdings VII, L.L.C.,
a Delaware limited liability company,
its Sole Member

By: Walton Street Real Estate Fund VII-Q, L.P.,
a Delaware limited partnership,
its Managing Member

By: Walton Street Managers VII, L.P.,
a Delaware limited partnership,
its General Partner

By: WSC Managers VII, Inc.,
a Delaware corporation,
its General Partner

By: [Signature]
Name: Josh Zeman
Title: Vice President

ACKNOWLEDGMENT

STATE OF Illinois)
COUNTY OF Cook) ss.

BE IT REMEMBERED, that on this 9 day of Nov., 2017 before me, the undersigned, a Notary Public in and for said County and State, came Josh Zeman, who is known to me to be the same person who executed the within instrument, and such person duly acknowledged the execution of the same.

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

(Seal)

My Commission Expires:

9/24/19

[Signature]
Notary Public in and for said
County and State



EXHIBIT A

Map of CID

*

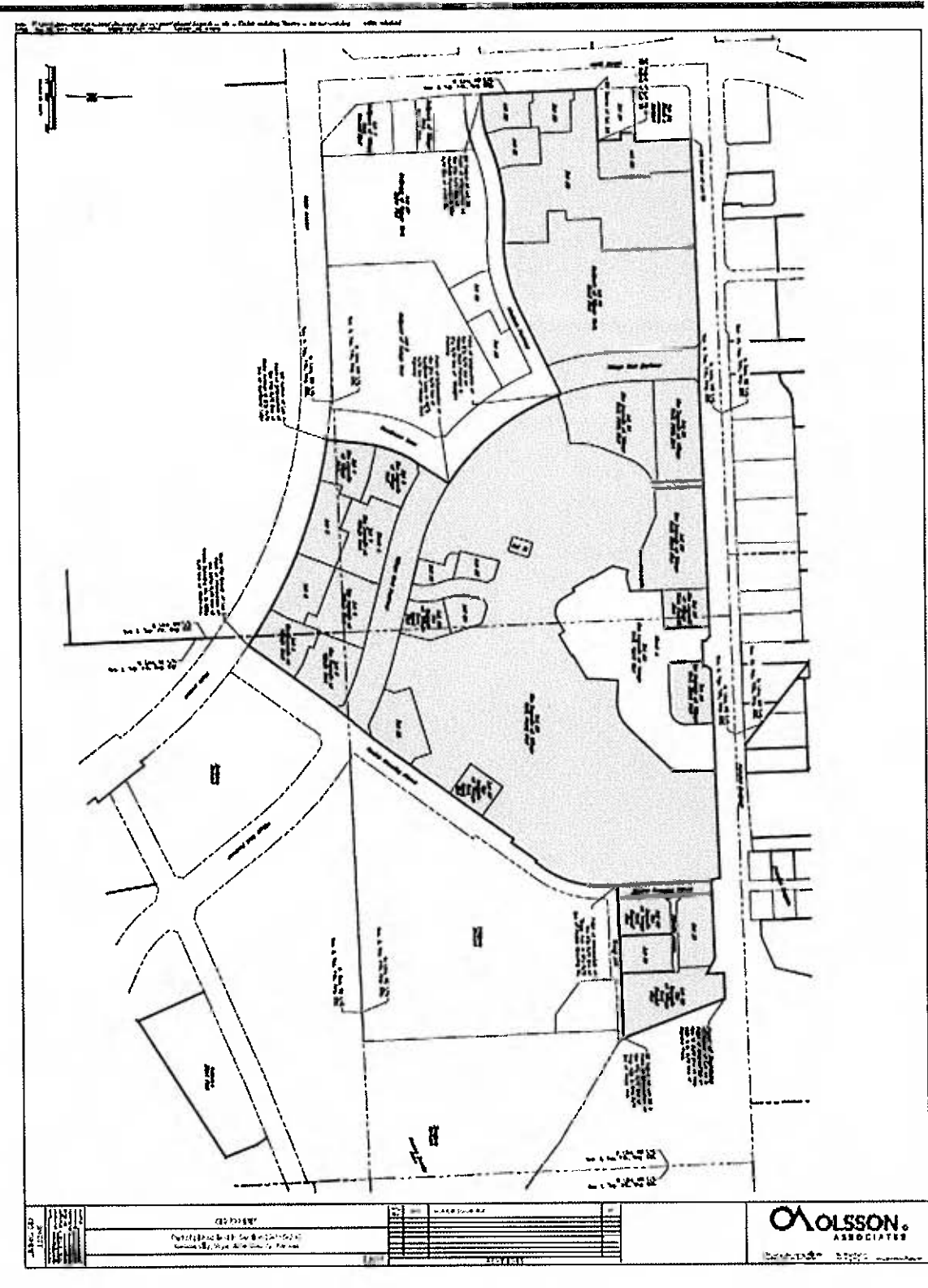


EXHIBIT B
Legal Description of CID

The following property located in Wyandotte County, Kansas

Part of platted land in Section 02, Township 11 South, Range 23 East, being part of The Legends at Village West, all of The Legends at Village West, Second Plat, all of The Legends at Village West, Third Plat, all of The Legends at Village West, Fourth Plat, all of The Legends at Village West, Fifth Plat and part Ballpark of Village West, Third Plat, all being subdivisions in Kansas City, Wyandotte County, Kansas and being more particularly described as follows:

Beginning at the Northeast corner of Lot 22, of said The Legends at Village West, Second Plat, said point also being the point of intersection of the South Right-of-Way line of said Parallel Parkway and the West Right-of-Way line of said Interstate Highway No. 435, as both are now established; thence Southeasterly, along the East line of said The Legends at Village West, Second Plat and along the West Right-of-Way line of said Interstate Highway No. 435, to the Southeast corner of said Lot 22, said point also being the point of intersection of the West Right-of-Way line of said Interstate Highway No. 435 and the North Right-of-Way line of Troup Avenue, as now established; thence West, departing the West Right-of-Way line of said Interstate Highway No. 435, and along North Right-of-Way line of said Troup Avenue, and along its Westerly prolongation, to the point of intersection of the Westerly prolongation of the North Right-of-Way line of said Troup Avenue and the Westerly Right-of-Way line of Prairie Crossing Street, said point also being on the Easterly line of The Legends at Village West, Third Plat; thence Southerly and Southwesterly, along the Westerly and Northwesterly Right-of-Way line of said Prairie Crossing Street, and along the Easterly line of said The Legends at Village West, Third Plat and along the Easterly line of said The Legends at Village West, to the most Southerly corner of Lot 1, of said The Legends at Village West, said point also being the point of intersection of the Northwesterly Right-of-Way line of said Prairie Crossing Street and the Northeasterly Right-of-Way line of State Avenue, as now established; thence Northwesterly, departing the Northwesterly Right-of-Way line of said Prairie Crossing Street, and along the Southwesterly line of said The Legends at Village West, and along the Northeasterly Right-of-Way line of said State Avenue, to the Southwest corner of Lot 4, of said The Legends at Village West, said point also being the point of intersection of the Northeasterly Right-of-Way line of said State Avenue and the Easterly Right-of-Way line of Sunflower Lane, as now established; thence Northerly and Northeasterly, departing the Northeasterly Right-of-Way line of said State Avenue, and along the West line of said The Legends at Village West and along the Easterly Right-of-Way line of said Sunflower Lane and along its Northerly prolongation, to the point of intersection of the Northerly prolongation of the East Right-of-Way line of said Sunflower Lane and the Northeasterly Right-of-Way line of Village West Parkway, as now established, said point also being on the Southwesterly line of said The Legends at Village West, Third Plat; thence Northwesterly, along the Northeasterly Right-of-Way line of said Village West

Parkway and along the Southwesterly line of said The Legends at Village West, Third Plat, to the point of intersection of the Northeasterly Right-of-Way line of said Village West Parkway and the Northeasterly prolongation of the Northerly Right-of-Way line of Stadium Parkway, as now established; thence Southwesterly, departing the Southwesterly line of said The Legends at Village West, Third Plat and along the Northerly Right-of-Way line of said Stadium Parkway and its Northeasterly prolongation, to the Southwest corner of Lot 22, of said Ballpark of Village West, Third Plat, said point also being the point of intersection of the North Right-of-Way line of said Stadium Parkway and the East Right-of-Way line of 110th Street, as now established; thence North, departing the North Right-of-Way line of said Stadium Parkway and along the West line of said Ballpark of Village West, Third Plat, and along the East Right-of-Way line of said 110th Street, to the Southwest corner of Lot 24 of said Ballpark of Village West, Third Plat; thence East, departing the East Right-of-Way line of said 110th Street, and the West line of said Ballpark of Village West, Third Plat, and along the South line of said Lot 24, to the Southeast corner of said Lot 24, said point also being the Southwest corner of Lot 28, of said Ballpark of Village West, Third Plat; thence North, along the West line of said Lot 28, to the Northwest corner of said Lot 28, said point also being on the North line of said Ballpark of Village West, Third Plat, said point also being on the South Right-of-Way line of Parallel Parkway; thence East, along the North line of said Ballpark at Village West, Third Plat, and along the North line of said The Legends at Village West, Fifth Plat, and along the North line of said The Legends at Village West, Third Plat, and along the North line of said The Legends at Village West, Fourth Plat, and along the North line of said Legends at Village West, Second Plat, and along the South Right-of-Way line of said Parallel Parkway, to the Point of Beginning.

Except that part platted as Lot 28, THE LEGENDS AT VILLAGE WEST THIRD PLAT, a subdivision of land in Kansas City, Wyandotte County, Kansas.

EXHIBIT C
CID Project Costs

LEGENDS APARTMENTS AND GARAGE	
LEGENDS APARTMENTS AND GARAGE DEVELOPMENT COST ITEM	ESTIMATED DEVELOPMENT COST
Land, Building and Garage Construction	\$43,955,750
Public Land	\$2,476,923
Private Land	\$2,123,077
General Conditions	\$1,693,039
Professional Services (Eng, Arch, Const, E, Legal)	\$2,288,818
Financing Costs (Construction Related Carry & Closing)	\$1,411,692
Development Fee	\$2,724,760
Hard Cost Contingency	\$1,583,975
Soft Cost Contingency	\$1,055,918
TOTAL DEVELOPMENT COST (TOTAL PROJECT BUDGET)	\$61,332,024
CID PROJECT COSTS REIMBURSABLE TO DEVELOPER	
Garage Development and Construction Costs	\$14,273,077
Public Land	\$2,476,923
Sitework, Signage, Connectivity and Off-Site Costs	\$750,000
TOTAL CID PROJECT COSTS	\$17,500,000

LEGENDS WEST LAWN PROJECT	
CID PROJECT COSTS REIMBURSABLE TO DEVELOPER	
Sitework, LED Board, Signs and Facades	\$7,125,000
Fees, Expenses, Design, Architect Consultants, Engineer	\$1,150,000
Contingency	\$725,000
TOTAL CID PROJECT COSTS	\$9,000,000

Exhibit D (Amended -2017)
CID Ordinance

(Published in *The Wyandotte Echo* on 12-28-17)

ORDINANCE NO. O-76-17

AN ORDINANCE AUTHORIZING THE CREATION OF THE LEGENDS GARAGE AND LAWN COMMUNITY IMPROVEMENT DISTRICT IN KANSAS CITY, KANSAS; AUTHORIZING THE MAKING OF CERTAIN PROJECT IMPROVEMENTS RELATING THERETO; APPROVING THE ESTIMATED COSTS OF SUCH PROJECT IMPROVEMENTS; AND PROVIDING FOR THE METHOD OF FINANCING THE SAME.

WHEREAS, pursuant to K.S.A. 12-6a26 *et seq.*, as amended (the "Act"), cities and counties are authorized to create community improvement districts as a method of financing economic development related improvements in a defined area within their city or county; and

WHEREAS, the Act authorizes the governing body of any city or county to create community improvement districts to finance projects within such defined area of the city or county and to levy a community improvement district sales tax and/or levy special assessments upon property within the district to finance projects; and

WHEREAS, a petition (the "Petition") was filed with the Unified Government Clerk on November 16, 2017, proposing the creation of the Legends Garage and Lawn Community Improvement District (the "District") under the Act and the imposition of a community improvement district sales tax in order to assist in financing the projects as described in the Petition (the "Apartments/Garage Project" and the "West Lawn Project", collectively the "Projects"); and

WHEREAS, the Petition was signed by the required number of owners of record, whether resident or not, as required by the Act; and

WHEREAS, the Unified Government of Wyandotte County/Kansas City, Kansas (the "Unified Government") intends to create the District and to levy a community improvement district sales tax in an amount of one percent (1.00%) as requested in the Petition (the "CID Sales Tax"); and

WHEREAS, the Act provides that prior to creating any community improvement district and imposing a community improvement district sales tax, the governing body shall, by resolution, direct and order a public hearing on the advisability of creating such community improvement district and the construction of such community improvement district projects therein, and to give notice of the hearing by publication at least once each week for two (2) consecutive weeks in the official City newspaper and by certified mail to all property owners within the proposed community improvement district, the second publication to be at least seven (7) days prior to the hearing and such certified mail sent at least ten (10) days prior to such hearing; and

WHEREAS, on December 4, 2017 the Governing Body adopted Resolution No. R-52-17, directing that a public hearing on the proposed District within the Unified Government be held on December 21, 2017, declaring its intent to impose a community improvement district

EXHIBIT D (continued)

sales tax, and requiring that the Unified Government Clerk provide for notice of such public hearing as set forth in the Act; and

WHEREAS, the Notice of Public Hearing containing the following information: (a) the time and place of the hearing, (b) the general nature of the proposed community improvement district, (c) the estimated costs of the proposed community improvement district projects; (d) the proposed method of financing the costs of the community improvement district projects; (e) the proposed amount of the community improvement district sales tax; and (f) the map or boundary description of the proposed District, was mailed to all property owners within the proposed District on December 7, 2017 and published once each week for two (2) consecutive weeks in *The Wyandotte Echo*, the official City newspaper, on December 6, 2017 and December 13, 2017; and

WHEREAS, on December 21, 2017, the Governing Body conducted a public hearing on the proposed District, the proposed Projects, and estimated costs thereof and the method of financing the same; and

WHEREAS, the Governing Body hereby finds and determines it to be advisable to create the Legends Garage and Lawn Community Improvement District and set forth the boundaries thereof, authorize community improvement district projects relating thereto, approve the estimated costs of such community improvement district projects and approve the method of financing the same, all in accordance with the provisions of the Act.

NOW, THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS:

Section 1. Creation of Community Improvement District; Boundaries. That the Governing Body hereby finds and determines that it is advisable to create, in accordance with the provisions of the Act, the District within the Unified Government to be referred to as the Legends Garage and Lawn Community Improvement District. The boundaries of the proposed Legends Garage and Lawn Community Improvement District are legally described on Exhibit A and generally depicted on Exhibit B attached hereto and incorporated herein.

Section 2. Authorization of Community Improvement District Projects and Estimated Costs.

(a) The general nature of the Projects is as follows:

The development of the Property and surrounding area into a luxury apartment complex, adjacent garage for residents of the apartments and for visitors and customers of the Legends/Village West shopping district, and common area amenities, all in the vicinity of the southeast quadrant of Village West Parkway and Parallel Parkway within Kansas City, Kansas, potentially containing the following:

(i) residential and multi-family development; associated parking, transportation, infrastructure improvements and common area improvements.

EXHIBIT D (continued)

(b) The total estimated cost of the Projects to be funded by the District, as set forth in the Petition, is Twenty Six Million Five Hundred Thousand Dollars and No/100 (\$26,500,000.00), as the same may be changed or modified pursuant to the terms of the development agreement between the Unified Government and the developer of the Projects.

Section 3. Method of Financing.

(a) In order to provide funds to finance the costs of the Projects, it is advisable to impose, in accordance with the provisions of the Act, a community improvement district sales tax within the District in an amount of one percent (1.00%) on the selling of tangible personal property at retail or the rendering or furnishing of services within the District.

(b) There will be no special assessments levied on property within the boundaries of the District to pay the cost of the Projects.

(c) The costs of the Projects will be financed on a pay-as-you-go basis with reimbursements from revenues available from the CID Sales Tax in the District, as well as private equity, private debt, or through sale of special obligation bonds or notes issued by the Unified Government, as permitted by market conditions and other conditions to be agreed upon by the petitioner and the Unified Government, and if the issuance of such bonds or notes is approved by the governing body of the Unified Government. The petitioner is not seeking the issuance of full faith and credit bonds.

Section 4. Imposition of Community Improvement District Sales Tax. In order to provide for the payment of the Projects, the Governing Body of the Unified Government hereby imposes the CID Sales Tax within the District in an amount of one percent (1.00%) on the selling of tangible personal property at retail or the rendering or furnishing of services taxable pursuant to the provisions of the Kansas retailers' sales tax act within the District.

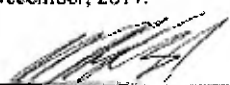
Section 5. Segregation of Sales Tax Revenues. All revenues derived from the collection of the CID Sales Tax shall be deposited into a two separate special funds of the Unified Government to be designated as the "Garage Account" for the Apartments/Garage Project and the "West Lawn Account" for the West Lawn Project. Such revenues shall be used to pay the costs of the Projects and the Unified Government's administrative service fee.

Section 6. Effective Date. This ordinance shall take effect and be in full force from and after its passage by the Governing Body of the Unified Government and publication once in the official City newspaper.

EXHIBIT D (continued)

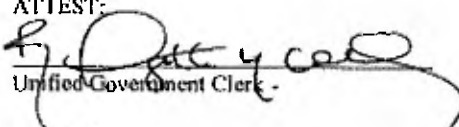
PASSED by the Governing Body this 21st day of December, 2017.

SIGNED by the Mayor this 21 day of December, 2017.



Mayor/CEO

ATTEST:



Unified Government Clerk -

(Seal)

Exhibit E (Amended – 2017)
Total Project Budget/CID Project Costs

LEGENDS APARTMENTS AND GARAGE	
LEGENDS APARTMENTS AND GARAGE DEVELOPMENT COST ITEM	ESTIMATED DEVELOPMENT COST
Land, Building and Garage Construction	\$48,950,700
Public Land	\$2,476,923
Private Land	\$2,123,077
General Conditions	\$1,693,038
Professional Services (Eng, Arch, Consult, Legal)	\$2,288,898
Financing Costs (Construction Interest Carry & Closing)	\$1,434,892
Development Fee	\$2,724,703
Hard Cost Contingency	\$1,583,875
Soft Cost Contingency	\$1,055,918
TOTAL DEVELOPMENT COST (TOTAL PROJECT BUDGET)	\$64,332,024
CID PROJECT COSTS REIMBURSABLE TO DEVELOPER	
Garage Development and Construction Costs	\$14,273,077
Public Land	\$2,476,923
Sidewalk, Signage, Connectivity and Off-Site Costs	\$750,000
TOTAL CID PROJECT COSTS	\$17,500,000

Exhibit G (Amended -2017)
PILOT Schedule

Value/unit	# unit s	Projected Value	2017 mill rate for 2018 prop. taxes	PILOT*	per door taxes
\$65,000.00	300	\$19,500,000.00	172.230252	\$ 395,368	\$1,317.89

** Includes \$9,142 fixed
amount*

<u>Year</u>	<u>Annual Increases</u>	<u>Annual Increases if Failure on L/M/WBE</u>
1	\$395,368	\$395,368
2	\$399,322	\$403,276
3	\$403,315	\$411,341
4	\$407,348	\$419,568
5	\$411,422	\$427,959
6	\$415,536	\$436,519
7	\$419,691	\$445,249
8	\$423,888	\$454,154
9	\$428,127	\$463,237
10	\$432,409	\$472,502

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**SECOND AMENDMENT TO DEVELOPMENT AGREEMENT FOR LEGENDS
APARTMENTS AND GARAGE**

This SECOND AMENDMENT TO DEVELOPMENT AGREEMENT FOR LEGENDS APARTMENTS AND GARAGE (this "**Amendment**") dated May 17, 2018, is made and entered into by and between the Unified Government of Wyandotte County/Kansas City, Kansas (the "**UG**"), and Legacy KCK Westside Venture, LLC, a Kansas limited liability company and successor-in-interest to Legends Apartments Legacy, LLC, a Kansas limited liability company ("**Developer**").

RECITALS

A. The UG and Developer, as successor-in-interest to Legends Apartments Legacy, LLC, entered into that certain Development Agreement for Legends Apartments and Garage dated November 20, 2015, as modified by that certain letter dated February 1, 2017, from Douglas G. Bach, County Administrator of the UG, to Dan Lowe of Legacy Development, and as further modified by that certain First Amendment to Development Agreement for Legends Apartments and Garage (collectively, as amended, the "**Agreement**") with respect to, among other things, the design, development, and construction of a first-class luxury apartment building, along with structured parking and related amenities, on certain real property generally located adjacent to the Legends Shopping Center on the south side of Parallel Parkway, east of 110th Street in Kansas City, Kansas, all as more particularly described in the Agreement. All capitalized terms which are not otherwise defined herein shall have the meanings assigned to them in the Agreement.

B. Notwithstanding anything set forth in Section 3.1(b) of the Public Financing Conditions in the Agreement, the UG and Developer have agreed that Developer shall only be required to provide proof of funds (if necessary) to finance the Parking Improvements, and not the financing for the apartment improvements, prior to issuance of the CID Bonds.

C. The UG and Developer hereto desire to amend the Agreement to provide for the foregoing, among other things, all as more particularly set forth below.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the UG and Developer agree as follows:

1. **Amendment of Section 3.1(b) Regarding Financing Conditions.** The parties hereby agree to modify Section 3.1(b) to read as follows:

"(b) If (i) the projected construction costs of the Parking Improvements shall exceed \$14,273,077 or (ii) the public sale of the CID Bond Proceeds yields less than \$14,273,077 for the Parking Improvements, and private financing will be required to complete the Parking Improvements as a result of the events in subsections (i) or (ii), then Developer shall provide the UG with a loan commitment or similar proof of funds to construct and complete the Parking Improvements;"

2. **Amendment of Section 2.2(c) Regarding Public Use of the Parking Improvements.** The following shall be added to the end of Section 2.2(c):

" Notwithstanding anything set forth above in this Section 2.2(c) (or in the balance of this Agreement to the contrary), until such time as Developer shall complete and open the apartment building described in Section 2.2(a), all of the parking spaces within the Parking Improvements shall be available for public use. However, the parties hereby agree that upon completion and opening of the apartment building described in Section 2.2(a), that no more than three hundred and fifty (350) parking spaces shall be required to remain open and available to the public and the remaining spaces may be dedicated parking spaces for apartment units."

3. **Amendment to Section 2.2(c) Regarding Failure to Complete Sidewalk and Curb Improvements.** The parties hereby agree that following sentence shall be added to the end of Section 2.2(c) as follows:

"In the event that the CID Cap is reduced as set forth herein, an amount equal to \$500,000 shall be withheld from the final distribution of CID Proceeds [which amount shall be in addition to the 10% retainage held back pursuant to Section 4.5(b)(ii)], and the same shall be the UG's sole and exclusive remedy in connection with the same.

4. **Amendment to Section 7.13 Regarding Approval of Joint Ventures.** The parties hereby agree that the last two sentences of Section 7.13, beginning with the words "Further, it is anticipated..." shall be deleted in their entirety.

5. **Amendments to Section 8.2 Regarding LBE/MBE/WBE Goals and CID Cap Reductions.** The parties hereby agree that Section 8.2 of the Agreement is hereby deleted in its entirety and replaced with the following:

"8.2 **LBE/MBE/WBE Employment Opportunity Goals.** Developer agrees to comply with the goals set forth on **Exhibit I**, attached hereto and made a part hereof, in order to identify and provide employment opportunities for local businesses and contractors, women and local minority owned businesses. In the event Developer shall fail to use Best Efforts, as defined in **Exhibit I**, when following the guidelines for utilization of the LBE/MBE/WBE participation, as set forth on **Exhibit I** for the Project, as defined in **Exhibit I**, then the following shall occur:

(a) for a failure to use Best Efforts, as defined in **Exhibit I** on the Parking Improvements portion of the Project, the PILOTs shall be increased as set forth in **Exhibit G (Amended - 2017)**, and the CID Cap shall be automatically reduced by an amount equal to \$875,000, and such amount shall be withheld from the final distribution of CID Proceeds [which amount shall be in addition to the 10% retainage held back pursuant to Section 4.5(b)(ii)]. For a failure to use Best Efforts, as defined in **Exhibit I** on the Parking Improvements portion of the Project, the remedies set forth in this subsection (a) shall be the UG's sole and exclusive remedies.

(b) for a failure to use Best Efforts, as defined in **Exhibit I** on the apartment building Improvements, the PILOTs shall be increased as set forth in **Exhibit G (Amended - 2017)** as the UG's sole and exclusive remedy hereof."

6. **Recitals and Definitions.** The parties acknowledge that the Recitals set forth above are true and correct and are hereby incorporated into the body of this Amendment.

7. **No Further Modification.** Except as expressly set forth in this Amendment, all terms and provisions of the Agreement are hereby confirmed and remain unmodified and in full force and effect, such terms and provisions being hereby incorporated herein for all purposes.

8. **Conflict or Inconsistency.** In the event of any conflict or inconsistency between the terms and provisions of this Amendment and the terms and provisions of the Agreement, the terms and provisions of this Amendment shall control.

9. **Multiple Counterparts.** This Amendment may be executed in any number of counterparts, each of which may be executed by only one party, which shall be enforceable against the parties actually executing such counterparts, and all of which together shall constitute one instrument. Delivery by facsimile or electronic transmission of an executed counterpart of any signature page to this Amendment to be executed hereunder shall have the same effectiveness as delivery of a manually executed counterpart thereof.

[Remainder of page intentionally left blank. Signature pages immediately follow.]

IN WITNESS WHEREOF, the parties have caused this Amendment to be executed as of the day and year first above written.

The UG:

THE UNIFIED GOVERNMENT OF WYANDOTTE
COUNTY/KANSAS CITY, KANSAS

By: David Alvey
Name: David Alvey
Its: Mayor/CEO

STATE OF KANSAS)
) SS.
COUNTY OF WYANDOTTE)

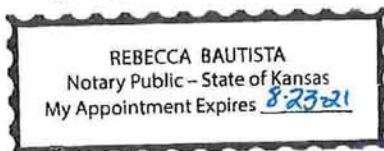
This instrument was acknowledged before me on May 17, 2018, by David Alvey as the Mayor/CEO of the Unified Government of Wyandotte County/Kansas City, Kansas.

Printed Name: Rebecca Bautista
Notary Public in and for said State
Commissioned in Wyandotte County

My commission expires

8-23-21

[Seal]



[Signatures continue onto the next page.]

Developer:

Legacy KCK Westside Venture, LLC,
A Kansas limited liability company

By: [Signature]
Name: Dan Lowe
Its: Manager

STATE OF MO)
COUNTY OF Jackson) SS.

This instrument was acknowledged before me on May 16, 2018, by
Dan Lowe as the Manager of Legacy KCK Westside Venture, LLC.

Printed Name: Heather L Trower
Notary Public in and for said State
Commissioned in Jackson County

My commission expires

11/19/21

[Seal]

HEATHER L. TROWER
Notary Public - Notary Seal
STATE OF MISSOURI
Commissioned for Jackson County
My Commission Expires: 11/19/2021
ID. #13700846

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WEST LAWN DEVELOPMENT AGREEMENT

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**DEVELOPMENT AGREEMENT
FOR
LEGENDS WEST LAWN**

by and between the

UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS

and

W-LD Legends Owner VII, L.L.C.

DATED AS OF FEBRUARY 8, 2018

DEVELOPMENT AGREEMENT
[Legends West Lawn]

THIS DEVELOPMENT AGREEMENT FOR LEGENDS WEST LAWN (the "Agreement") is made as of the 8th day of February, 2018 (the "Effective Date") between the Unified Government of Wyandotte County/Kansas City, Kansas (the "UG"), and W-LD Legends Owner VII, L.L.C., a Delaware limited liability company, or permitted assigns ("Developer").

RECITALS:

- A. The Developer wishes to design, develop, and construct new retail improvements and amenities at the Legends Outlets Kansas City, primarily at the western end of the retail project. The improvements will generally include hardscape and landscape replacement, video board installation on the existing "smokestack," shade structures, signage, facade improvements, escalator repair and enclosure, and new "legends" monuments (the "Project," as further defined in Section 2.2 below), on certain real property generally located at the Legends Outlets Kansas City, as legally described on Exhibit A-1 and as generally depicted on Exhibit A-2, as attached hereto (the "Project Site").
- B. The UG has the authority to create a community improvement district ("CID") pursuant to K.S.A. 12-6a26 *et seq.*, as amended from time to time (the "CID Act") for the purpose of financing certain economic development related projects. Under the CID Act, the owners of the land within the boundaries of a proposed CID may petition the City to request the creation of a CID and to impose an additional CID Sales Tax on the sale of tangible personal property at retail or the rendering or furnishing of services which are taxable within the boundaries of the CID District (as defined below) in order to pay for or reimburse the costs of a portion of a CID project.
- C. On or about November 16, 2017, Developer submitted the Legends Garage and Lawn CID Petition (the "CID Petition") to the UG requesting the formation of a CID encompassing all of the Project Site and certain portions of the Village West Shopping Center (the "CID District"), a legal description of which CID District is set forth on Exhibit B-1 and the boundaries of which are depicted on Exhibit B-2 attached hereto. The CID District is for certain eligible improvements as set forth in Article 4 below and more particularly identified on Exhibit E attached hereto. A copy of the CID Petition is attached hereto as Exhibit C.
- D. On December 21, 2017, the UG approved the creation of the CID District through the passage of an ordinance (the "CID Ordinance") pursuant to the CID Act. As contemplated in the CID Petition, the CID Ordinance calls for the imposition of a CID Sales Tax of 1.0% within the CID District to be collected and disbursed on a pay-as-you-go basis to reimburse certain CID Project Costs, and potentially through the issuance of bonds to pay for and/or reimburse certain CID Project Costs (as defined in Section 4.1 below) relating to the CID District. The CID Ordinance specifies that the CID Sales Tax is to commence on April 1, 2018. The CID Ordinance, if approved, shall subsequently be attached hereto as Exhibit D.
- E. In connection with the Project, Developer has also requested industrial revenue bond ("IRB") financing in order to pay certain project costs pursuant to K.S.A. 12-1741 *et seq.* Pursuant to the terms and conditions set forth in Article 5 below, the parties hereby agree that Developer may use IRB financing to obtain an exemption on sales taxes for construction materials, equipment and furnishings for the Project.
- F. The UG recognizes that retail projects like the Legends Outlets Kansas City need constant evolution to attract the tenants required to stay vibrant over time, and that certain common area and facade

improvements can contribute to a consumer experience that creates a destination for shoppers and continued relevance of retail assets.

G. Development of the Project is expected to assist in attracting new tenants to the Project, and to maintain the retail relevance of the Legends Outlets Kansas City Shopping Center over time. The Project is expected to enhance the Legends Outlets Kansas City and solidify its role as a substantial economic driver in Village West.

H. Additionally, the UG is contemporaneously entering into a First Amendment to Development Agreement for Legends Apartments and Garage (collectively, as amended, the "Apartments/Garage Agreement") with Legacy KCK Westside Venture, LLC, a Kansas limited liability company (the "Apartments/Garage Developer"), to use a portion of the CID Sales Tax revenue derived from the CID to perform certain parking garage improvements in connection with an apartment project (the "Apartments/Garage Project") located adjacent to the Project Site on Lot 33 of the Legends at Village West, Fifth Plat, all within the CID District. The design, construction and operation of the Apartments/Garage Project shall be governed by the terms and conditions of the Apartments/Garage Agreement.

I. The parties agree that the Project is not financially feasible without the public-private partnership as set forth in this Agreement, and therefore the parties wish to enter into this Agreement to provide the necessary financing for the Project.

AGREEMENT

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the UG and Developer hereby agree as follows:

ARTICLE 1 DEFINITIONS AND INTERPRETATION

1.1 Interpretation. In this Agreement, unless a clear contrary intention appears:

- (a) the singular number includes the plural number and vice versa;
- (b) reference to any Person includes such Person's successors and assigns but, if applicable, only if such successors and assigns are permitted by this Agreement, and reference to a Person in a particular capacity excludes such Person in any other capacity or individually;
- (c) reference to any gender includes each other gender;
- (d) reference to any agreement, document or instrument means such agreement, document or instrument as amended or modified and in effect from time to time in accordance with the terms thereof;
- (e) reference in this Agreement to any article, section, appendix, annex, schedule or exhibit means such article or section thereof or appendix, annex, schedule or exhibit thereto;
- (f) each of the items or agreements identified on the attached Index of Exhibits are deemed part of this Agreement to the same extent as if set forth herein;

(g) “hereunder”, “hereof”, “hereto” and words of similar import shall be deemed references to this Agreement as a whole and not to any particular article, section or other provision thereof;

(h) “including” (and with correlative meaning “include”) means including without limiting the generality of any description preceding such term; and

(i) relative to the determination of any period of time, “from” means “from and including” and “to” means “to but excluding.”

1.2 Accounting Terms. Unless expressly otherwise provided, accounting terms shall be construed and interpreted, and accounting determination and computations shall be made, in accordance with GAAP.

1.3 Legal Representation of the Parties. This Agreement was negotiated by the parties hereto with the benefit of legal representation and any rules of construction or interpretation otherwise requiring this Agreement to be construed or interpreted against any party shall not apply to any construction or interpretation hereof or thereof.

1.4 Definitions. All capitalized terms used in this Agreement shall have the meanings ascribed to them in Annex 1 attached hereto and made a part hereof, or as otherwise provided herein.

ARTICLE 2 THE PROJECT

2.1 Undertaking of Developer. Developer hereby agrees, subject to the terms and conditions hereinafter provided, to develop, construct, complete, and continue to operate the Project. The performance of all activities by Developer hereunder shall not be as an agent of the UG, except as otherwise specifically provided herein.

2.2 Development of the Project Site. The UG and Developer hereby agree that the Project shall be as described below. Developer hereby contemplates that the hardscape and landscape replacement, video board installation on the existing “smokestack,” shade structures, signage, facade improvements, escalator repair and enclosure, and new “legends” monuments, as specifically described in this Section 2.2 (the “Improvements”), shall be developed, constructed, completed, and operated on the site in substantial accordance and compliance with the terms and conditions of this Section 2.2 and the final site plan approval or approvals from the UG’s Planning Commission (the “Development Plan”). On and subject to the terms and provisions set forth in this Agreement, Developer shall have the sole right to, and shall be responsible for, design, construction, equipment and completion of the Improvements, and shall operate and use the Improvements in the manner described herein, all in accordance with the terms of this Section 2.2 and all other Applicable Laws and Requirements. The parties further agree as follows:

(a) The Project shall be designed, developed and constructed consistent with renovations in first-class retail assets, and at minimum, shall include the following Improvements: hardscape and landscape replacement, video board installation on the existing “smokestack,” shade structures, signage, facade improvements, escalator repair and enclosure, and new “legends” monuments, in substantial accordance with the budget and scope of work set forth in Exhibit G attached hereto (the “Scope of Work”); provided, however, that the parties hereto agree that the Scope of Work shall be subject to modification as reasonably determined to be necessary or prudent by Developer in connection with final site plan approval and the plan approvals set forth herein.

(b) Developer recognizes, stipulates and agrees that its signage shall be subject to all Applicable Laws and Regulations, and any special use permits granted by the UG's Planning Commission. The UG hereby agrees that it will, to the extent possible, expedite the consideration of Developer's proposed signage and cooperate with Developer to reasonably accommodate Developer's signage requirements.

(c) Developer hereby agrees to pave in asphalt and stripe, in a manner consistent with asphalt parking lots elsewhere at the Legends Outlets Kansas City, the unpaved portions of parcel number 299900 located at 1824 Village West Parkway. These paving and striping improvements shall be completed by Developer on or before December 31, 2020. Notwithstanding the foregoing, in the event a redevelopment plan for Stadium and/or Stadium Parking is approved by the UG on or before December 31, 2020, the terms of this Section 2.2(c) shall be of no further force or effect.

(d) Developer's plans for landscaping and hardscape improvement on the Project Site shall be considered in accordance with all Applicable Laws and Regulations and approval thereof by the UG will not be unreasonably withheld, conditioned or delayed.

(e) Developer's design, development and construction of the Improvements shall in all respects comply with the Plans and Specifications (as defined in Section 6.2).

(f) The Project described in this Section 2.2 shall not be amended or modified without (i) the prior written consent of the UG, which consent shall not be unreasonably withheld, conditioned or delayed, and (ii) full compliance with all Applicable Laws and Regulations.

2.3 General Agreements. Developer agrees to promptly and completely perform each and all of its duties and obligations under this Agreement and the other Transaction Documents. The UG agrees to promptly and completely perform each and all of its duties and obligations under this Agreement and the other Transaction Documents.

ARTICLE 3 CONDITIONS

3.1 Conditions. The delivery to Developer of any Public Financing contemplated under the terms of this Agreement shall be subject to the following conditions precedent (the "Public Financing Conditions"):

(a) Developer shall have obtained preliminary site plan and final plan approval for the video board installation on the existing "smokestack" as required by all Applicable Laws and Requirements; provided, however, the preliminary site plan and final plan approval for the video board installation on the existing "smokestack" and the balance of the Project shall not be a condition for the issuance of CID Bonds;

(b) Developer shall provide the UG with a loan commitment or similar proof of funds to construct the Project;

(c) The governing body of the UG shall have approved the CID by approval of the CID Ordinance as described in Recital D above; and

(d) The governing body of the UG shall have approved a Resolution of Intent for the IRB financing described in Section 5.1 below.

3.2 Termination. In the event that Developer fails to meet the conditions set forth in Section 3.1 above on or prior to December 31, 2018, then either party hereto shall have the right to terminate this Agreement, but such failure shall not be an event of default hereunder. In the event CID Bonds cannot be issued by July 31, 2018, then Developer shall have the right to terminate this Agreement. Upon any such termination of this Agreement, (i) this Agreement shall terminate, and (ii) except as specifically set forth herein, the parties hereto shall have no further duty, obligation, or liability each to the other hereunder, and without limiting the generality of the foregoing, Developer shall be solely liable and responsible for all of its costs and expenses incurred by it with respect to this Agreement and the transactions contemplated hereby, and except for the fees and expenses of the UG related to the Project and this Agreement to be paid for by Developer pursuant to that certain Funding Agreement dated as of May 12, 2015, as amended, and the provisions of this Agreement, the UG shall be solely liable and responsible for all costs and expenses incurred by it with respect to this Agreement and the transactions contemplated hereby.

3.3 Satisfaction of Conditions. Upon satisfaction of the Public Financing Conditions set forth in Section 3.1 above, the UG shall, at the request of Developer, issue a certificate or a letter confirming and agreeing the Public Financing Conditions have been fully satisfied for purposes of this Agreement, and the parties agree that such Public Financing Conditions shall be deemed to be fully satisfied for all purposes of this Agreement thereafter.

ARTICLE 4 FINANCING — SOURCE OF FUNDS — COMMUNITY IMPROVEMENT DISTRICT

4.1 Public Financing; Source of Funds. Reference is hereby made to the CID Project Costs and the Total Project Budget attached and estimated hereto as Exhibit E, and by this reference made a part hereof. The Project will be funded by Developer's private equity and debt, CID Financing (as defined in Section 4.3 below) and cash flow from its operations. Subject to the terms and conditions of this Agreement, a portion of the Improvements which are eligible for reimbursement under the CID Act (the "CID Improvements") shall be funded and/or reimbursed in whole or in part by the CID Financing from CID Proceeds (as defined in Section 4.3 below).

4.2 CID Sales Tax. The UG hereby agrees that the CID Improvements will be reimbursed with CID Financing, consisting of financing repayable from revenues received from the imposition of a CID sales tax in the amount of 1.0% on the sale of tangible personal property at retail or the rendering or furnishing of services which are taxable pursuant to the Kansas Retailers' Sales Tax Act (K.S.A. 79-3601 *et seq.*), as amended, within the CID District (the "CID Sales Tax"). The Developer agrees to provide to the Kansas Department of Revenue (the "DOR") a list of tenants within the CID District within the timeframes required by the DOR, so that the DOR can notify tenants within the CID District of their requirement to collect a CID Sales Tax beginning on that certain date which is set forth in Recital D of this Agreement. At the time the list of tenants is provided to the DOR, the Developer shall also provide a copy to the UG.

4.3 CID Proceeds. During the Term, all proceeds from the CID Sales Tax (the "CID Proceeds") generated within the CID District and received by the UG from DOR shall be deposited into either the CID Sales Tax Fund or the CID Bond Revenue Fund, both of which shall be established and administered by the UG in compliance with the CID Act, this Agreement and all other Applicable Laws and Requirements. Any net financing generated through Pay-As-You-Go CID Financing or CID Bonds and used to reimburse or pay CID Project Costs shall be referred to herein as CID Financing ("CID Financing").

4.4 Pay-As-You-Go CID Financing. Except as set forth in connection with CID Bonds as set forth in Section 4.5 below, the parties hereby agree that the proceeds from the CID Sales Tax shall be disbursed by the UG quarterly from the CID Sales Tax Fund on a pay-as-you-go basis ("Pay-As-You-Go CID Financing"), to pay for or reimburse Developer for CID Project Costs, if and to the extent that (i) there are CID Proceeds in the CID Sales Tax Fund, (ii) Developer has fully satisfied all of the conditions set forth in Section 4.4(f) hereof, (iii) the Term has not yet expired, and (iv) Developer has not already been reimbursed for CID Project Costs in an amount equal to the West Lawn CID Cap (as defined below), and Developer is not in default under the terms and conditions of this Agreement beyond all notice and cure periods provided herein. The parties further agree as follows:

(a) The CID Proceeds available to Developer for payment or reimbursement of CID Project Costs, through Pay-As-You-Go CID Financing and/or any CID Bonds, shall in no event exceed \$9,000,000 (the "West Lawn CID Cap"). The West Lawn CID Cap shall, for all purposes set forth herein, operate as a cap on the use of CID Sales Tax for reimbursement of any and all CID Project Costs and such West Lawn CID Cap shall not include and shall be net of: (i) any Construction Period Interest (defined below), (ii) costs of issuance of any notes or bonds and (iii) interest on CID Project Costs pursuant to any notes or bonds. Once Developer has received an amount equal to the West Lawn CID Cap for reimbursement of CID Project Costs through Pay-As-You-Go CID Financing or other CID Financing and any CID Bonds have been repaid, the parties understand and agree that the CID shall thereafter terminate, and the CID Sales Tax shall terminate and no longer be levied or collected within the CID District. For the purposes of this Agreement, "Construction Period Interest" shall be defined as the interest accrued on money borrowed to pay for CID Project Costs during the period of the construction of the CID Improvements, in accordance with K.S.A. §12-6a27(f).

(b) The CID Sales Tax shall be collected within the CID District for a period that commences on the date that the CID Sales Tax is first imposed within the CID District up to and concluding upon that date which is the earlier of the following: (i) the date that Developer has been reimbursed for all CID Project Costs by Pay-As-You-Go CID Financing or other CID Financing (up to the West Lawn CID Cap) and any CID Bonds have been repaid, or (ii) regardless of whether the Developer has been fully reimbursed for all CID Project Costs, that date which is twenty two (22) years from the date that the CID Sales Tax is first imposed (the "CID Collection Period"). At the end of the CID Collection Period, the parties understand and agree that the CID shall thereafter terminate, and the CID Sales Tax shall terminate and no longer be levied or collected within the District.

(c) The CID Sales Tax available to Developer for payment or reimbursement of CID Project Costs, through Pay-As-You-Go CID Financing and/or any CID Bonds, shall be available in an amount not to exceed amounts incurred by Developer or paid from time to time (including any time before date that the CID Ordinance becomes effective) by Developer from private funding sources (whether cash, equity contributions, private loan proceeds or other non-public sources) toward Total Project Costs (the "Private Funds"). In other words, the reimbursement of CID Project Costs from CID Proceeds are to be paid on a 50/50 basis between Developer's Private Funds and the available CID Sales Tax funds, and there shall not at any time during the Term be more Project Costs paid with CID Sales Tax proceeds than the amount of Project Costs paid by Developer's Private Funds (the "50/50 Limitation"). By way of illustrative example of the 50/50 Limitation, if at a given point in time, Developer has paid or incurred Total Project Costs (including any CID Project Costs) to date of \$200, then Developer's maximum payment or reimbursement for Eligible Expenses from CID Proceeds may not exceed \$100. However, the parties further understand and agree that if at a given point in time, Developer has incurred \$225 of Total Project Costs, of which \$125 are CID Project Costs and \$100 are paid from Private

Funds, then (i) at that particular time, no more than \$100 of CID Project Costs may be reimbursed with CID Sales Tax proceeds, but (ii) if Developer later incurs an additional \$25 of Project Costs which are paid with Private Funds, then the remaining \$25 of CID Project Costs may be reimbursed with CID Sales Tax proceeds. Payment of Project Costs from Private Funds shall be evidenced to the UG as set forth in Section 4.7(c).

(d) Developer shall not receive any reimbursements from Pay-As-You-Go CID Financing unless and until the conditions precedent set forth in Section 4.4(f) have been fully satisfied as determined by the UG in its sole reasonable discretion.

(e) Developer may pledge its interest in the CID Proceeds to a lender, subject to a collateral assignment agreement which is in substantially the same form attached hereto as Exhibit K or such other form required by Developer's lender, as mutually agreed upon by Developer, UG and Developer's lender, acting in a commercially reasonable manner.

(f) Conditions Precedent to Reimbursements from Pay-As-You-Go CID Financing. Developer hereby understands and agrees that it shall not receive any reimbursements for CID Project Costs from Pay-As-You-Go CID Financing unless and until the conditions precedent set forth below have been fully satisfied as determined by UG in its sole reasonable discretion:

(i) The UG has approved Certificates of Expenditure for such CID Project Costs related to the particular reimbursement request; and

(ii) There shall be a retainage equal to 10% of hard costs set forth in all construction contracts and subcontracts for the construction of the Project; provided, with respect to each such contract or subcontract, an amount equal to such 10% retainage shall be held and released by the Bond Trustee upon Substantial Completion of the portion of the Project set forth in such contract or subcontract.

4.5 CID Bonds. It is contemplated by the parties that a portion of the CID Project Costs may be funded by CID bonds or notes (the "CID Bonds") which are issued by the UG based on a pledge of CID Proceeds. It is further contemplated that unaffiliated parties would purchase CID Bonds in an amount which would yield net CID Bond Proceeds equal to \$26,500,000 (the "Total CID Cap"); provided such Total CID Cap shall not include and shall be net of any Construction Period Interest (as defined in Section 4.4(a) above) or costs of issuance and interest of any CID Bonds. The balance of the CID Project Costs shall, subject to the conditions and limitations set forth herein, be paid with CID Bonds issued to Affiliates or with Pay-As-You-Go CID Financing up to the remaining amount of the Total CID Cap; provided such Total CID Cap shall not include and shall be net of any Construction Period Interest (as defined in Section 4.4(a) above) or costs of issuance and interest of any CID Bonds. The interest on CID Bonds issued to Affiliates shall be a rate equal to the lesser of (i) the actual interest rate paid by Developer in connection with debt financing for the Project or (ii) three hundred (300) basis points over the Prime Rate.

(a) CID Bond Revenue Fund and CID Bond Project Fund. When and if CID Bonds are issued by the UG for the Project and the Apartments/Garage Project, the CID Proceeds from the CID District shall be deposited into a fund which shall be created and administered by the UG or its designee and which will be described and defined in the Bond Documents and which, for purposes of this Agreement shall be referred to as the "CID Bond Revenue Fund". The net CID Bond Proceeds shall be deposited into a fund which shall be created and administered by the UG or its designee and which will be described and defined in the Bond Documents and which, for purposes of this Agreement shall be referred to as the "CID Bond Project Fund". The CID Bond

Project Fund shall include two (2) separate accounts: (i) a "Garage Account" for the Apartments/Garage Project, and (ii) a "West Lawn Account" for the Project. The amount of net CID Bond Proceeds deposited into the Garage Account shall be equal to the CID Cap for the Apartments/Garage Project (as described in the Apartments/Garage Agreement and as the same may be adjusted pursuant to the terms and conditions of such Apartments/Garage Agreement). The amount of net CID Bond Proceeds deposited into the West Lawn Account shall be equal to the West Lawn CID Cap for the Project (as described in this Agreement and as the same may be adjusted pursuant to the terms and conditions of this Agreement). In no event shall the net CID Bond Proceeds in the Garage Account be commingled with the net CID Bond Proceeds in the West Lawn Account. The parties further agree as follows:

(i) Developer hereby waives any right, title or claim to any portion of the net CID Bond Proceeds deposited into the Garage Account and Developer hereby agrees that the UG may freely disburse the net CID Bond Proceeds in the Garage Account to the Apartments/Garage Developer without interference from, or any liability to, the Developer whatsoever.

(ii) In the event of any dispute between Developer and the Apartments/Garage Developer over the CID Proceeds in the CID Bond Revenue Fund or the CID Bond Project Fund, Developer hereby specifically agrees to waive any claims against the UG and to hold the UG harmless from any claims, disputes or liabilities in connection with said dispute provided that the UG only disburses CID Proceeds from the Garage Account to the Apartments/Garage Developer and only disburses CID Proceeds from the West Lawn Account to the Developer.

(iii) In the event that the public sale of the CID Bonds yields net CID Bond Proceeds equal to an amount which is less than the Total CID Cap of \$26,500,000, then Developer and Apartments/Garage Developer shall mutually agree upon the specific amounts of net CID Bond Proceeds to be funded into the Garage Account and the West Lawn Account, which amounts may be less than the West Lawn Cap CID Cap and the CID Cap for the Apartments/Garage Project as set forth in the Apartments/Garage Agreement, respectively.

(iv) The CID Proceeds in the CID Bond Revenue Fund will be utilized to first pay principal and interest payments required under CID Bonds at such times as such payments may be required under the Bond Documents. The specifics of the issuance and repayment of the CID Bonds for the Project (and the Apartments/Garage Project) shall be in accordance with the Bond Documents, to be approved by ordinance of the UG, in accordance with this Agreement and the Apartments/Garage Agreement.

(v) The net CID Proceeds in the West Lawn Account shall be disbursed by the Bond Trustee for the purpose of funding or reimbursing the Developer for the CID Project Costs in accordance with the terms of this Agreement and the Bond Documents. Disbursements from the CID Bond Revenue Fund shall be as provided in the Bond Documents.

(b) Conditions Precedent to Payment or Reimbursement from CID Proceeds. Developer hereby understands and agrees that it shall not receive any reimbursements for CID Project Costs from CID Bonds unless and until the conditions precedent set forth below have been fully satisfied as determined by the UG in its sole reasonable discretion.

(i) The UG has approved Certificates of Expenditure for such CID Project Costs related to the particular reimbursement request; and

(ii) There shall be a retainage equal to 10% of hard costs set forth in all construction contracts and subcontracts for the construction of the Project; provided, with respect to each such contract or subcontract, an amount equal to such 10% retainage shall be held and released by the Bond Trustee upon Substantial Completion of the portion of the Project set forth in such contract or subcontract.

(c) Conditions Precedent to CID Bond Issuance. The issuance of the CID Bonds shall be subject to Developer complying with the terms of this Agreement and fully satisfying each of the following conditions:

(i) The Developer provides such documentation to the UG as required by the Underwriter to reasonably demonstrate that the revenues generated within the CID District (and/or Project Site) are sufficient to pay debt service on the CID Bonds with a coverage factor that the Underwriter determines is necessary and that is agreed to by the Developer and the UG.

(ii) The Underwriter shall hold the CID Bonds in its own account or be responsible for marketing and selling the CID Bonds, and the UG shall be under no obligation to issue CID Bonds if such CID Bonds are not marketable after reasonable effort by the Underwriter. Notwithstanding the foregoing, if the Underwriter determines that the CID Bonds are not marketable after a reasonable effort by such Underwriter, the Developer shall have a right to request that the CID Bonds be marketed thereafter with an alternative Underwriter that is reasonably approved by the UG and Developer and upon terms and conditions that are reasonably approved by the UG and Developer.

(iii) The Kansas Attorney General approves the transcript of proceedings relating to the CID Bonds as required by K.S.A. 10-108.

(iv) Bond counsel for the UG provides to the UG an opinion to the effect that the CID Bonds have been validly issued under Kansas law and, if applicable, the interest on the CID Bonds is exempt from Kansas and federal income taxation, subject to the standard exceptions.

(d) Other Provisions Regarding CID Bonds. The following provisions shall also be applicable to the CID Bonds hereunder which are issued by the UG:

(i) The Underwriter for any CID Bonds shall be selected by the UG. The UG shall solicit input from Developer as it relates to the Underwriter selected and all components of the issuance of CID Bonds in an effort to maximize the size of the issuance, but the UG shall have the sole right, power and authority to determine the amount, terms, interest rate or rates and other terms and conditions of the CID Bonds.

(ii) The UG shall not in any way guaranty or lend its credit to secure the CID Bonds.

(iii) Developer and the UG agree that they will comply with all reasonable requirements including any statutory requirements, associated with the issuance, sale, purchase and delivery of any CID Bonds.

(iv) Further, Developer understands and agrees that the UG cannot bind the governing body of the UG regarding the authorization, issuance, sale or delivery of CID Bonds and that nothing contained herein shall in any way bind the UG's Board of Commissioners to accept or reject any proposal to authorize, issue, sell or deliver CID Bonds, which decision shall unconditionally remain within the sole discretion of such Board of Commissioners.

(v) Notwithstanding the foregoing, or any other provisions of this Agreement to the contrary, in no event, including but not limited to any event of default by Developer, shall the UG have any right to terminate, restrict, or withhold any payments from the owners or bondholders of the CID Bonds issued pursuant to this Agreement; provided, however, that it is hereby expressly agreed that the UG may withhold the authorization for distribution of certain CID Bond Proceeds from the CID Bond Revenue Fund as specifically set forth in Section 4.5(b)(ii).

(vi) The UG bond origination fee for the CID Bonds shall be as provided by UG Ordinance O-15-01.

4.6 Payment of CID Administrative Fee. A portion of CID Sales Tax from the CID District shall be used to pay an administrative fee in an amount equal to 1.0% of the CID Proceeds collected in that same period (the "CID Administrative Fee"), and Developer hereby understands and agrees that such CID Administrative Fee shall be withheld by the UG prior to depositing the balance of the CID Proceeds to the CID Sales Tax Fund or the CID Bond Revenue Fund.

4.7 Certificate of Expenditure. In connection with the CID Project Costs for the CID Improvements, Developer shall certify all costs and expenditures in accordance with the following:

(a) Developer shall submit to the UG a Certificate of Expenditure in the form attached hereto as Exhibit F setting forth the amount for which reimbursement is sought, and identification of the relevant CID Project Costs. Developer shall certify to the UG that it shall only use the CID Financing for the designated CID Project Costs, as described in the Certificate of Expenditure.

(b) Each Certificate of Expenditure shall be accompanied by such bills, contracts, invoices, lien waivers and other evidence as the UG shall reasonably require to document appropriate payment and shall include an overall cost summary, as well as a cost summary for each division of work (i.e., grading, erosion control, roadway, sanitary sewer and storm sewer).

(c) Each Certificate of Expenditure shall also include evidence of payment and cost breakdowns for Project Costs paid with Private Funds in an amount which is at least equal to the reimbursements requested from CID Proceeds in said Certificate of Expenditure, plus any prior Certificates of Expenditure, as needed to satisfy the 50/50 Limitation.

(d) Each Certificate of Expenditure shall be accompanied by a report regarding any LBE/MBE/WBE participation associated with the costs requested for payment or reimbursement in the Certificate of Expenditure.

(c) The UG reserves the right to have its engineer, staff or other agents or employees inspect all work in respect of which a Certificate of Expenditure is submitted, to examine Developer's records relating to all CID Project Costs to be paid, and to obtain from such parties such other information as is reasonably necessary for the UG to evaluate compliance with the terms hereof. Developer hereby agrees to pay all actual and verifiable third-party expenses incurred by the UG pursuant to this subsection (d), which third-party expenses shall not exceed \$35,000; provided the parties hereby agree to increase such cap to \$50,000 if the UG employs a separate third party consultant to provide the services necessary to review and approve the Certificate of Expenditure required under subsection (f) below.

(f) The UG shall have forty-five (45) calendar days after receipt of any Certificate of Expenditure to review and respond by written notice to Developer. If the submitted documentation demonstrates that: (1) costs described in the Certificate of Expenditure directly relates to CID Project Costs and are appropriate CID Project Costs; (2) the expense was, in fact, incurred by Developer after the date that the CID Ordinance becomes effective; (3) Developer is not in default under this Agreement; and (4) there is no fraud on the part of Developer, then the UG shall approve the Certificate of Expenditure and pay or reimburse Developer for financing the cost of the CID Improvements within ten (10) days following the UG's approval of the Certificate of Expenditure, pursuant to the terms of this Agreement. If the UG reasonably disapproves of the Certificate of Expenditure, the UG shall notify Developer in writing of the reason(s) for such disapproval within such ten (10) day period and the parties will work in good faith to attempt to resolve the reasons for such disapproval. Approval of a Certificate of Expenditure will not be unreasonably withheld, conditioned or delayed.

(f) During the Term, the Developer shall endeavor to submit Certificates of Expenditure for those expenditures made in connection with the CID Improvements on a monthly basis.

ARTICLE 5 INDUSTRIAL REVENUE BONDS – PILOT PAYMENTS

5.1 Industrial Revenue Bonds. Developer has requested industrial revenue bond ("IRB") financing in order to pay certain project costs pursuant to K.S.A. 12-1741 *et. seq.* Subject to all Applicable Laws and Requirements and subject further to compliance by Developer with all of the UG's requirements for the issuance of IRBs, the parties hereby agree that Developer may use IRB financing to obtain an exemption on sales taxes for construction materials, equipment and furnishings for the Project. However, the parties hereby understand and agree that IRB financing shall not be used for abatement of ad valorem taxes for the Project or the Project Site. Developer agrees to pay all costs and expenses related to the issuance of the IRBs, including without limitation the UG issuance fees.

ARTICLE 6 CONSTRUCTION OF IMPROVEMENTS AND INFRASTRUCTURE IMPROVEMENTS

6.1 Architect. Developer shall select such architects, engineers and other design professionals and consultants as are necessary to provide construction documents and construction oversight services for the Improvements. All agreements respecting architectural and engineering services shall be between Developer and such Persons, and a copy of each such agreement shall be timely provided to the UG upon a request for the same.

6.2 Design and Plans and Specifications. Developer shall, as soon as practicable, provide the UG with plans and specifications for the Improvements, and the UG shall provide Developer with the plans

and specifications for the Improvements (collectively, the "Plans and Specifications"), which Plans and Specifications shall include cost estimates for the Improvements, the design of which shall be compatible with the Development Plan, and all Applicable Laws and Requirements. Developer recognizes, stipulates and agrees that the Plans and Specifications will be presented to and subject to approval by the appropriate Government Authorities. Without the prior written approval of the appropriate Government Authorities, there shall be no Material Changes to the Plans and Specifications subsequent to the initial approval.

6.3 General Contractor and Construction Documents. Developer shall select a general contractor or general contractors (the "General Contractor" or "General Contractors") for the Improvements. Developer represents that its construction documents relative to the Improvements (the "Construction Documents") will require and provide for (a) the design, development, construction, equipping and completion of the Improvements in accordance with the Development Plan, the Plans and Specifications and all Applicable Laws and Requirements; (b) a guaranteed maximum price; (c) guaranteed Substantial Completion not later than the Completion Date (with liquidated damages for failure), subject to Force Majeure; and (d) surety of performance and labor and material payment bonds in the full amount of the Construction Documents. Developer shall, as soon as practicable, provide the UG with a copy of the Construction Documents.

6.4 Changes or Amendments. Developer shall promptly deliver to the UG copies of all change orders or other changes or amendments to the Construction Documents. Developer agrees with the UG that (a) it will perform its duties and obligations under the Construction Documents and (b) enforce the obligations of all other parties thereunder.

6.5 Responsibility for Design and Construction. Developer shall, subject to the terms of this Agreement and the Development Plan, have the sole right, and the responsibility, to design, manage, operate and construct the Project. Developer shall receive no separate fee from the UG for acting as construction manager or developer of the Project.

6.6 Permits and Reviews. Developer hereby recognizes, stipulates and agrees (a) that in the design, construction, completion, use or operation of the Improvements, Developer, or its General Contractor or General Contractors, shall procure and pay for any and all permits, licenses or other forms of authorizations that are, from time to time, required, and (b) that nothing herein shall be construed as any release by the UG of the responsibility of Developer to comply with, and satisfy the requirements of, all Applicable Laws and Requirements.

The UG agrees to consider and act on any zoning, planning and platting applications by the Developer in due course and good faith. The UG shall cooperate with and provide all usual assistance to the Developer in securing necessary permits and approvals, and shall diligently process, review and consider all such permits and approvals as may be required by law.

6.7 Periodic Meetings with Developer. From the Effective Date until Substantial Completion of the Improvements, Developer hereby agrees to meet with the UG at such intervals as Developer, the UG and any such designee of the UG shall mutually agree or reasonably request, and not more frequently than monthly, to review and discuss the design, development and construction of the Improvements and the Project.

6.8 Completion Date. Developer hereby agrees that, subject only to Force Majeure, Developer shall Substantially Complete construction of the Project, including all of the amenities described in Section 2.2 above on or before December 31, 2018.

**ARTICLE 7
USE AND OPERATION**

7.1 Term. The Term of this Agreement shall commence on the Effective Date and shall expire on that date which is the later of (a) twenty-two (22) years after the Effective Date, or (b) the last day of the CID Collection Period (the "Term").

7.2 Use and Operation.

(a) Developer covenants that at all times during the Term, it will, at its expense:

(i) Use the Project Site only for the Permitted Uses;

(ii) Conduct its business at all times in a dignified quality manner and in conformity with the first-class industry standards and in such manner as to help establish and maintain a high reputation for the Project; and

(iii) In addition to the restrictions set forth in the Master Declaration recorded at Book 4347, Page 481, as amended, Developer and the UG hereby agree that the following uses shall be prohibited on or about the Project Site:

A. Any store selling discounted tobacco products, electronic or vapor cigarettes or other smoking devices or paraphernalia.

B. Any hookah bars or other establishment with a primary focus on smoking; provided, however, that the foregoing restriction shall not in any way prohibit the operation of cigar shops.

C. Pay-day or title loan facilities.

D. Any precious metal facilities; provided, however, that the foregoing restriction shall not in any way prohibit the operation of a first class jeweler operation or any stores similar to those stores operating as jewelry stores in first-class retail shopping centers.

E. Any seasonal tax preparation facility which uses "street marketing" of any kind, including without limitation, inflatable signs or characters, people dressed in costume, holding signs or wearing sandwich-boards or otherwise advertising directly to pedestrians or vehicular traffic.

The UG's Board of Commissioners is hereby authorized to grant variances to the restrictions set forth in this Section 7.2(a)(iii) from time to time in its sole and absolute discretion. Within thirty (30) days of the Effective Date, Developer and the UG shall execute a document which shall memorialize the restrictions set forth in this Section 7.2(a)(iii) and that there are no known violations of the restrictions within the CID District, and record the same against the real property within the CID District, which restrictions shall be effective and run with the land for the Term of this Agreement.

7.3 Development Plan. During the Term, Developer agrees that it shall perform and comply with each and all of the terms and provisions of the Development Plan and not suffer or permit any default or breach of any such terms or provisions of the Development Plan.

7.4 Maintenance and Use. During the Term, Developer shall cause the Project, and all parts thereof, the Project Site and all other of its property used or useful in the conduct of its business and operations on the Project Site, to be maintained, preserved and kept in good repair and working order and in a safe condition, consistent at all times with other first-class retail projects in metropolitan Kansas City area, and will make all repairs, renewals, replacements and improvements necessary for the safe, efficient, and advantageous conduct of its business and operations on the Project Site. Developer may make additions, alterations and changes to the Project so long as such additions, alterations and changes are made in compliance with all Applicable Laws and Requirements and the Development Plan, and as long as the same do not materially adversely affect Developer's ability to perform its obligations under this Agreement. Developer agrees to set aside on its books such reasonable reserves for future maintenance and capital expenditures.

7.5 Compliance. Developer shall conduct its affairs and carry on its business and operations in such a manner as to comply with all Applicable Laws and Requirements, and to observe and conform to all valid orders, regulations or requirements (including, but not limited to, those relating to safety and health) of any Government Authorities applicable to the conduct of its business and operations and the ownership of the Project; provided, however, that nothing contained in this Agreement shall require Developer to comply with, observe and conform to any such law, order, regulation or requirement of any Government Authorities so long as the validity thereof shall be contested by Developer in good faith by appropriate proceedings, and provided that Developer shall have set aside on its books adequate reserves in accordance with GAAP or secured adequate bonding with respect to such contest and such contest shall not materially impair the ability of Developer to meet its obligations under this Agreement. Developer agrees to promptly pay any and all fees and expenses associated with any safety, health or other inspections required under this Agreement or imposed by Applicable Laws and Requirements, unless contested in good faith with the assurances provided in the preceding sentence.

7.6 Payment of Taxes and Other Charges. During the Term, Developer shall pay or cause to be paid as they become due and payable all taxes, assessments and other governmental charges lawfully levied or assessed or imposed upon Developer or the Project or any part thereof or upon any income therefrom, including, but not limited to, any taxes, assessments, or other governmental charges levied, assessed or imposed on the Project, the Project Site, and/or the Improvements. Nothing herein shall be deemed to prohibit the Developer from contesting the validity or amount of any tax, assessment, encumbrance or lien, or to limit the remedies available to the Developer in respect thereto. Ad valorem property taxes shall be due in arrears, with half due on December 20th and half due on May 10th of each year in which said amount is required to be paid, and will be considered delinquent if not paid by such dates of each such year or as otherwise determined by Applicable Laws and Requirements. The obligation to make said ad valorem property tax payments shall be a covenant running with the land and shall create a lien in favor of the UG on each such tax parcel as constituted from time to time and shall be enforceable against Developer and its successors and assigns in ownership of property on the Project Site. Additionally, Developer hereby understands and agrees that if Developer shall fail to timely pay its ad valorem property taxes as set forth herein, then Developer's access to the IRB financing and reimbursement of CID Project Costs from any Pay-As-You-Go CID Financing shall be suspended by the UG until such taxes are paid in full, at which point such right to be reimbursed will be reinstated and any funds suspended by the UG hereunder will be released and disbursed to Developer in accordance with this Agreement.

7.7 Payment of Obligations. During the Term, Developer shall promptly pay or otherwise satisfy and discharge all of its obligations and all demands and claims against it as and when the same become due and payable, unless the validity, amount or collectability thereof is being contested in good faith or unless the failure to comply or contest would not materially impair its ability to perform its obligations under this Agreement nor subject any material part of the Project to loss or forfeiture.

7.8 Liens and Encumbrances. During the Term, Developer shall not create or incur or permit to be created or incurred or to exist any lien, or encumbrance upon the Project, or any part thereof, and shall promptly cause to be discharged, challenged or terminated all liens and encumbrances unless the validity, amount or collectability thereof is being contested in good faith or unless the failure to comply or contest would not materially impair its ability to perform its obligations under this Agreement nor subject any material part of the Project to loss or forfeiture. It is acknowledged and agreed by the Parties that this Section 7.8 shall not apply to or prohibit mortgage liens encumbering the Project or Project Site in connection with loan proceeds that benefit the Project or the Project Site.

7.9 Licenses and Permits. During the Term, Developer shall procure and maintain all licenses and permits, and allow all inspections and/or investigations required by Applicable Laws and Requirements or otherwise necessary in the operation of its business and affairs in, on or about the Project.

7.10 Insurance. During the Term, Developer shall maintain or cause to be maintained insurance with respect to the Project and operations covering such risks that are of an insurable nature and of the character customarily insured against by organizations operating similar properties and engaged in similar operations (including but not limited to property and casualty and general liability) and in such amounts as, in the reasonable judgment of the UG, are adequate to protect Developer, the UG and the Project, but in no event in an amount less than that required by the Insurance Specifications attached hereto as Exhibit H, and made a part hereof, or as otherwise required by the terms of the Transaction Documents. Each policy or other contract for such insurance shall (i) name the UG as an additional insured (with respect to liability insurance but only in an amount equal to \$500,000), and (ii) contain an agreement by the insurer that, notwithstanding any right of cancellation reserved to such insurer, such policy or contract shall continue in force for at least thirty (30) days after written notice of cancellation to Developer and the UG. The rights of the UG to any insurance proceeds shall be subject and subordinate to the rights of any lender on the Project, except as set forth in Section 7.11 below.

7.11 Damage, Destruction or Condemnation.

(a) In the event of damage to or destruction of any portion of the Improvements resulting from fire or other Casualty during the Term, or in the event any portion of the Improvements is condemned or taken for any public or quasi-public use or title thereto is found to be deficient during the Term, the net proceeds of any insurance relating to such damage or destruction, the net proceeds of such condemnation or taking or the net proceeds of any realization on title insurance shall be paid into, and used in accordance with a construction escrow agreement for restoration, repair and/or replacement of the Project which is satisfactory to the UG, Developer and Developer's lender ("Casualty Escrow").

(b) If at any time during the Term, title to the whole or substantially all of the Improvements shall be taken in condemnation proceedings or by right of eminent domain, Developer, at its sole discretion, may terminate this Agreement as of the date of such taking. For purposes of this Section 7.11(b), "substantially all of the Improvements" shall be deemed to have been taken if the UG and Developer, each acting reasonably and in good faith, determine that the untaken portion of the Project cannot be practically and economically used by Developer for the purposes and at the times contemplated by this Agreement.

(c) In the event of condemnation of less than the whole or substantially all of the Improvements during the Term, Developer, at its sole cost and expense, shall commence and thereafter proceed as promptly as possible to repair, restore and replace the remaining part of the Project, as nearly as possible, to their former condition, and shall be entitled to draw upon the Casualty Escrow for payment of said costs.

7.12 Indemnity. Developer shall pay and indemnify and save the UG and its governing body members, directors, officers, employees and agents harmless from and against all loss, liability, damage or expense arising out of (a) the design, construction and completion of the Project by Developer; (b) the use or occupation of the Project by Developer or anyone acting by, through or under it; (c) damage or injury, actual or claimed, of whatsoever kind or character occurring after the Effective Date, to persons or property occurring or allegedly occurring in, on or about the Project; and (d) any breach, default or failure to perform by Developer under this Agreement. Developer shall also pay and indemnify and save the UG and its governing body members, directors, officers, employees and agents harmless of, from and against, all costs, reasonable counsel fees, expenses and liabilities incurred by them or by Developer in any action or proceeding brought by reason of any such claim, demand, expense, penalty or fine. If any action or proceeding is brought against the UG or its governing board members, directors, officers, employees or agents by reason of any such claim or demand, Developer, upon notice from the UG, covenants to resist and defend such action or proceeding on demand of the UG or its governing body members, directors, officers, employees or agents. Notwithstanding the foregoing, no party benefited by this indemnity shall be indemnified against liability for damage arising out of bodily injury to persons or damage to property caused by the said party's own respective willful and malicious acts or omissions or gross negligence. The foregoing covenants contained in this Section shall be deemed continuing covenants, representations and warranties for the benefit of the UG and any successors and assigns of the UG, and shall survive the termination, satisfaction or release of this Agreement, or any other instrument. Notwithstanding the foregoing, upon the termination or assignment of this Agreement, the Developer will be released of its indemnification obligations under this Agreement arising after the time of such termination or assignment. Further, in the specific and limited case of an assignment pursuant to which the assignee assumes all obligations under this Agreement, including all of the indemnification obligations set forth herein, then the Developer shall be released from all indemnification obligations hereunder.

7.13 Transfers, Sales, Etc. At any time following Substantial Completion of the Critical Project Components, Developer may freely convey the Project and Project Site and assign its interest in this Agreement and upon providing evidence of such conveyance and assignment, along with an assumption of all of the obligations set forth herein by the assignee, then the Developer shall be fully released under this Agreement. Within ten (10) business days after either party shall request for an estoppel certificate, the non-requesting party shall deliver an executed estoppel certificate to any person designated by the requesting party, certifying the following: (i) that this Agreement is in full force and effect and has not been assigned, modified, supplemented or amended (except by such writings as shall be stated); and (ii) that there are no defaults under this Agreement (stating exceptions, if any). Persons receiving such statement shall be entitled to rely upon it.

7.14 Access. During the Term, Developer hereby recognizes, acknowledges and agrees that the UG, and its duly authorized representatives and agents, shall have the right to enter the Project at reasonable times and upon reasonable notice (during normal construction hours during the period of construction), to substantiate compliance with this Agreement or, to the extent Developer has failed to cure any breach within applicable notice and cure periods, to cure any defaults under this Agreement. In exercising its rights hereunder, the UG shall use reasonable efforts to avoid unreasonable interference with the operation of the Project. Except as otherwise provided in this Agreement, the UG shall pay all costs it incurs under this provision. Nothing contained in this Section 7.14 shall restrict or impede the right of the UG to enter the Project pursuant to any Applicable Laws and Requirements. Except in the case of an emergency, prior to any such access, such representatives of the UG will check in with the on-site manager. Such representatives of the UG shall carry proper identification, shall use reasonable efforts to insure their own safety, and shall not interfere with any construction activity.

7.15 Environmental Matters. Developer shall not store, locate, generate, produce, process, treat, transport, incorporate, discharge, emit, release, deposit or dispose of any Hazardous Substance in, upon,

under, over or from the Project in violation of any Environmental Regulation; shall not permit any Hazardous Substance to be stored, located, generated, produced, processed, treated, transported, incorporated, discharged, emitted, released, deposited, disposed of or to escape therein, thereupon, thereunder, thereover or therefrom in violation of any Environmental Regulations; shall cause all Hazardous Substances to be properly removed therefrom and properly disposed of in accordance with all applicable Environmental Regulations; shall not install or permit to be installed any underground storage tank therein or thereunder in violation of any Environmental Regulation; and shall comply with all other Environmental Regulations which are applicable to the Project. Developer shall indemnify the UG against, shall hold the UG harmless from, and shall reimburse the UG for, any and all claims, demands, judgments, penalties, fines, liabilities, costs, damages and expenses, including court costs and attorneys' fees incurred by the UG (prior to trial, at trial and on appeal) in any action against or involving the UG, resulting from any breach of the foregoing covenants or from the discovery of any Hazardous Substance, in, upon, under or over, or emanating from, the Project, whether or not Developer is responsible therefor, it being the intent of Developer and the UG that the UG shall have no liability or responsibility for damage or injury to human health, the environment or natural resources caused by, for abatement and/or clean-up of, or otherwise with respect to, Hazardous Substances. The foregoing covenants contained in this Section shall be deemed continuing covenants, representations and warranties for the benefit of the UG and any successors and assigns of the UG, and shall survive the termination, satisfaction or release of this Agreement, or any other instrument.

7.16 Power of the UG. Notwithstanding anything set forth herein to the contrary, no provision contained herein shall in any manner diminish or usurp the inherent rights and powers of the UG to act in its capacity as a public body. Further, nothing herein shall relieve Developer from complying with all Applicable Laws and Requirements.

ARTICLE 8 SPECIAL PROVISIONS

8.1 Special Agreements of Developer.

(a) Community Participation. During the Term, Developer agrees to actively participate in the civic, charitable, educational, philanthropic and economic development of the Kansas City, Kansas/Wyandotte County community in activities of its choice. Without limiting the generality of the foregoing, Developer specifically agrees that during the Term, Developer shall be an active, dues-paying member in good standing with the KCK Area Chamber of Commerce and the Wyandotte Economic Development Council.

(b) Limitation of CAM for T-Bones Stadium Parking. The parties hereby recognize and agree that pursuant to certain recorded easements, covenants and restriction documents, the UG currently pays maintenance expenses to Developer for maintaining the parking (the "Stadium Parking") that serves the minor league baseball stadium that is the current home to the Kansas City T-Bones (the "Stadium"). Developer hereby agrees that for any period of time that the UG is obligated to make such payments to Developer for the Stadium Parking, such payments shall be limited to an amount not to exceed \$10,000. If the UG shall convey, assign or transfer its rights and interests to the Stadium Parking and an independent third party shall subsequently assume the obligation to pay such maintenance expenses to Developer, the parties hereby agree that the \$10,000 cap set forth herein shall thereafter be of no further force and effect.

(c) Security. During the term of this Agreement, Developer hereby specifically agrees that it will cooperate with law enforcement officials to secure and police the Project Site, including without limitation, an obligation to report incidents of criminal activity that occur

within the Project Site, including incidents of theft. Further, Developer will include a provision in all future leases and amendments to leases for stores and other concepts within the Project Site that requires reporting of incidents, including theft, and full cooperation with law enforcement officials. Developer will also install and actively monitor security cameras throughout the Project Site to help secure the center and to enforce compliance with laws.

8.2 LBE/MBE/WBE Employment Opportunity Goals. Developer agrees to comply with the goals set forth on Exhibit I, attached hereto and made a part hereof, in order to identify and provide employment opportunities for local businesses and contractors, women and local minority owned businesses. In the event that from and after the date hereof Developer shall fail to use Best Efforts (as defined on Exhibit I) when following the guidelines for utilization of LBE/MBE/WBE participation, as set forth on Exhibit I for the Project (as defined in Exhibit I), then the West Lawn CID Cap shall be automatically reduced by an amount equal to \$450,000, and the remedies described in this Section 8.2 shall be the UG's sole and exclusive remedies.

8.3 Termination of the Original CID. Developer hereby acknowledges and understands that prior to the formation of the CID District, the UG had formed an earlier community improvement district for the Apartments/Garage Project that was approved by the passage of CID Ordinance No. O-4-16 by the UG's Board of Commissioners on January 7, 2016 (the "Original CID"). Following distribution of all of the proceeds of the Original CID to the Apartment/Garage Developer, the UG shall terminate the Original CID. Developer hereby consents and fully agrees to the termination of the Original CID and hereby agrees to cooperate with the UG in taking such actions as may be necessary to terminate such Original CID. The parties hereto acknowledge that any amounts or funds provided pursuant to the terms of the Original CID shall not count toward the West Lawn CID Cap.

ARTICLE 9 DEFAULT AND REMEDIES

9.1 Default Provisions. Developer shall be in default under this Agreement if:

(a) Developer fails to make any of the payments of money required by the terms of this Agreement or any of the Transaction Documents, and Developer fails to cure or remedy the same within twenty (20) days after the UG has given Developer written notice specifying such default; or

(b) Developer fails to keep or perform any covenant or obligation herein contained on Developer's part to be kept or performed, and Developer fails to remedy the same within sixty (60) days after the UG has given Developer written notice specifying such failure and requesting that it be remedied; provided, however, that if any event of default shall be such that it cannot be corrected within such period, it shall not constitute an event of default if corrective action is instituted by Developer within such period and diligently pursued until the default is corrected; or

(c) Developer shall file a voluntary petition under any bankruptcy law or an involuntary petition under any bankruptcy law is filed against any such party in a court having jurisdiction and said petition is not dismissed within sixty (60) days; or Developer makes an assignment for the benefit of its creditors; or a custodian, trustee or receiver is appointed or retained to take charge of and manage any substantial part of the assets of Developer, and such appointment is not dismissed within sixty (60) days; or any execution or attachment shall issue against Developer whereupon the Project, or any part thereof, or any interest therein of Developer under this Agreement shall be taken and the same is not released prior to judicial sale thereunder

(each of the events described in this subparagraph being deemed a default under the provisions of this Agreement); or

(d) Developer breaches the representations and warranties set forth in this Agreement and fails to cure or correct same within fifteen (15) days of notice from the UG.

In the event of such default, the UG may take such actions, or pursue such remedies, as exist hereunder, or at law or in equity, and Developer covenants to pay and to indemnify the UG against all reasonable costs and charges, including attorneys' fees, lawfully and reasonably incurred by or on behalf of the UG in connection with the enforcement of such actions or remedies.

9.2 Rights and Remedies. Upon the occurrence and continuance of a Developer default, the UG shall have the following rights and remedies, in addition to any other rights and remedies provided under this Agreement or by law:

(a) Whenever any default by Developer shall have occurred and be continuing, subject to applicable cure periods as set forth above, the UG may (i) refuse to approve any further Certificate of Expenditures or make any further reimbursements of CID Project Costs from Pay-As-You-Go CID Financing unless and until such default is cured by the Developer; and/or (ii) terminate the IRB financing set forth in Section 5.1; and/or (iii) terminate the CID; and/or (iv) terminate this Agreement, including the CID and IRB financing; and/or (v) any remedies provided to the UG under the Transaction Documents. The rights and remedies reserved by the UG hereunder and those provided by law shall be construed as cumulative and continuing rights, no one of which shall be exhausted by the exercise of any one or more of such rights or remedies on any one or more occasions. Notwithstanding the foregoing, or any other provisions of this Agreement to the contrary, in no event, including but not limited to any event of default by Developer, shall the UG have any right to terminate, restrict, or withhold any payments from the owners or bondholders of the CID Bonds issued pursuant to this Agreement; provided, however, that it is expressly agreed that the UG may withhold the authorization for distribution of certain CID Bond Proceeds from the CID Bond Project Fund as specifically set forth in Section 4.5(b)(ii).

(b) The UG may pursue any available remedy at law or in equity by suit, action, mandamus or other proceeding to enforce and compel the specific performance of the duties and obligations of the Developer as set forth in this Agreement, to enforce or preserve any other rights or interests of the UG under this Agreement or otherwise existing at law or in equity and to recover any damages incurred by the UG resulting from such Developer default.

(c) In the event of such default by Developer, the UG may take such actions, or pursue such remedies, as exist hereunder or at law or in equity and Developer covenants to pay and to indemnify the UG against all reasonable costs and charges, including attorneys' fees, lawfully and reasonably incurred by or on behalf of the UG in connection with the enforcement of such actions or remedies.

(d) The rights and remedies reserved by the UG hereunder and those provided by law shall be construed as cumulative and continuing rights, no one of which shall be exhausted by the exercise of any one or more of such rights or remedies on any one or more occasions. If a default by Developer occurs under this Agreement and is continuing (after any applicable notice and cure period), the UG may take whatever action at law or in equity as may appear necessary or desirable to enforce performance and observance by Developer of any provision of this Agreement. The UG shall be entitled to specific performance and injunctive or other equitable relief for any breach or threatened breach of any of the provisions of this Agreement,

notwithstanding the availability of an adequate remedy at law, and each party hereby waives the right to raise such defense in any proceeding in equity. Failure by the UG to enforce any such rights shall not be deemed a waiver thereof.

(e) Notwithstanding anything herein to the contrary, the sole remedy for failure of the Developer to commence or complete the Project shall be termination of the Agreement.

9.3 Default by the UG. The UG shall be in default under this Agreement if the UG fails to keep or perform any covenant or obligation herein contained on the UG's part to be kept or performed, and the UG fails to remedy the same within sixty (60) days after Developer has given the UG written notice specifying such failure and requesting that it be remedied; provided, however, that if any event of default shall be such that it cannot be corrected within such period, it shall not constitute an event of default if corrective action is instituted by the UG within such period and diligently pursued until the default is corrected. If a default by the UG occurs under this Agreement and is continuing, Developer may take whatever action at law or in equity as may appear necessary or desirable to enforce performance and observance by the UG of any provision of this Agreement; however, the UG's liability for monetary amounts shall be limited to the actual amount, if any, in question, and under no circumstances shall the UG be liable for any remote or consequential damages. Developer shall be entitled to specific performance and injunctive or other equitable relief for any breach or threatened breach of any of the provisions of this Agreement, notwithstanding the availability of an adequate remedy at law, and each party hereby waives the right to raise such defense in any proceedings in equity. Under no circumstances shall the UG be liable for remote or consequential damages. In the event of such default by the UG, Developer may take such actions, or pursue such remedies, as exist hereunder or at law or in equity.

9.4 Default Interest. Subject to all Applicable Laws and Requirements, any amounts owed by either party hereunder and not paid when due (after any applicable notice and cure period) shall bear interest from the date incurred at the Prime Rate plus 2%, or, if less, the maximum rate permitted by law, and shall be payable on demand.

ARTICLE 10 MISCELLANEOUS

10.1 Waiver of Breach. No waiver of any breach of any covenant or agreement herein contained shall operate as a waiver of any subsequent breach of the same covenant or agreement or as a waiver of any breach of any other covenant or agreement, and in case of a breach by either party of any covenant, agreement or undertaking, the non-defaulting party may nevertheless accept from the other any payment or payments or performance hereunder without in any way waiving its right to exercise any of its rights and remedies provided for herein or otherwise with respect to any such default or defaults which were in existence at the time such payment or payments or performance were accepted by it.

10.2 Force Majeure. In the event either party hereto shall be delayed or hindered in or prevented from the performance of any act required under this Agreement by reason of acts of God, strikes, lockouts, failure of power or other insufficient utility service, riots, insurrection, environmental remediation required by the appropriate Government Authorities, discovery of cultural, archeological or paleontological resources or endangered species, any lawsuit seeking to restrain, enjoin, challenge or delay construction, failure of the UG to timely approve the Plans and Specifications, the Construction Documents, shortage of materials, unavailability of labor, adverse weather conditions such as, by way of illustration and not limitation, severe rain storms or below freezing temperatures of abnormal degree or abnormal duration, tornadoes, and any other events or conditions, which shall include but not be limited to any litigation interfering with or delaying the construction of all or any portion of the Project in accordance with this Agreement, war, terrorism or other reason of a like nature not the fault of the party

delayed in performing work or doing acts required under the terms of this Agreement (“Force Majeure”), then performance of such act shall be excused for the period of the delay, and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay. The provisions of this Section shall not be applicable to delays resulting from the inability of a party to obtain financing or to proceed with its obligations under this Agreement because of a lack of funds.

10.3 Covenants of Parties.

(a) Representations and Warranties of Developer. Developer represents and warrants to the UG as follows:

(i) Organization. Developer is a Delaware limited liability company duly formed and validly existing under the laws of the State. Developer is duly authorized to conduct business in each other jurisdiction in which the nature of its properties or its activities requires such authorization. Developer shall (1) preserve and keep in full force and effect its corporate or other separate legal existence and (2) remain qualified to do business and conduct its affairs in the State and each jurisdiction where ownership of its property or the conduct of its business or affairs requires such qualification.

(ii) Authority. The execution, delivery and performance by Developer of this Agreement are within Developer’s powers and have been duly authorized by all necessary action of Developer.

(iii) No Conflicts. Neither the execution and delivery of this Agreement, nor the consummation of any of the transactions herein or therein contemplated, nor compliance with the terms and provisions hereof or thereof, will contravene the organizational documents of Developer or any provision of law, statute, rule or regulation to which Developer is subject, or to any judgment, decree, license, order or permit applicable to Developer, or will conflict or be inconsistent with, or will result in any breach of any of the terms of the covenants, conditions or provisions of any indenture, mortgage, deed of trust, agreement or other instrument to which Developer is a party, by which Developer is bound, or to which Developer is subject.

(iv) No Consents. No consent, authorization, approval, order or other action by, and no notice to or filing with, any court or Government Authorities or regulatory body or third party is required for the due execution and delivery by Developer of this Agreement. No consent, authorization, approval, order or other action by, and no notice to or filing with, any court or Government Authorities or regulatory body or third party is required for the performance by Developer of this Agreement or the consummation of the transactions contemplated hereby except for zoning, building and other customary permits to be obtained from the UG or other governmental units.

(v) Valid and Binding Obligation. This Agreement is the legal, valid and binding obligation of Developer, enforceable against Developer in accordance with the terms hereof.

(b) Representations and Warranties of the UG.

(i) Authority. The UG has full constitutional and lawful right, power and authority, under current applicable law, to execute and deliver and perform the terms and obligations of this Agreement, and this Agreement has been duly and validly authorized

and approved by all necessary UG proceedings, findings and actions. Accordingly, this Agreement constitutes the legal valid and binding obligation of the UG, enforceable in accordance with its terms.

(ii) No Conflicts. Neither the execution and delivery of this Agreement, nor the consummation of any of the transactions herein or therein contemplated, nor compliance with the terms and provisions hereof or thereof, will contravene the ordinances, rules, regulations of the UG or the laws of the State nor result in a breach, conflict with or be inconsistent with any terms, covenants, conditions or provisions of any indenture, agreement or other instrument by which the UG is bound or to which the UG is subject.

(iii) No Consents. Except as set forth in Section 3.1(d) hereof, no consent, authorization, approval, order or other action by, and no notice to or filing with, any court or Government Authorities or regulatory body or third party is required for the due execution and delivery by the UG of this Agreement. No consent, authorization, approval, order or other action by, and no notice to or filing with, any court or Government Authorities or regulatory body or third party is required for the performance by the UG of this Agreement or the consummation of the transactions contemplated hereby.

(iv) Valid and Binding Obligation. This Agreement is the legal, valid and binding obligation of the UG enforceable against the UG in accordance with its terms.

10.4 Amendments. This Agreement may be amended, changed or modified only by a written agreement duly executed by the UG and Developer.

10.5 Construction and Enforcement. This Agreement shall be construed and enforced in accordance with the laws of the State.

10.6 Invalidity of Any Provisions. If for any reason any provision hereof shall be determined to be invalid or unenforceable, the validity and effect of the other provisions hereof shall not be affected thereby.

10.7 Headings. The Article and Section headings shall not be treated as a part of this Agreement or as affecting the true meaning of the provisions hereof.

10.8 Execution of Counterparts. This Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

10.9 Time. Time is of the essence in this Agreement.

10.10 Consents and Approvals. Wherever in this Agreement it is provided that the UG or Developer shall, may or must give its approval or consent, the UG or Developer shall not, unless specifically herein provided otherwise, unreasonably withhold, condition, delay or refuse to give such approvals or consents. It is agreed, however, that the sole right and remedy for Developer or the UG in any action concerning the other's reasonableness will be action for declaratory judgment and/or specific performance, and in no event shall either such party be entitled to claim damages of any type or nature in any such action.

10.11 Notices. All notices required or desired to be given hereunder shall be in writing and all such notices and other written documents required or desired to be given hereunder shall be deemed duly served and delivered for all purposes if (i) delivered by nationally recognized overnight delivery service; (ii) facsimile (with follow up within one (1) business day by United States Mail); or (iii) delivered in person, in each case if addressed to the parties set forth below:

The Unified Government Clerk
The Unified Government of Wyandotte County/Kansas City, Kansas
701 North 7th Street, Suite 323
Kansas City, Kansas 66101
Telephone: 913-573-5260
Facsimile: 913-573-5299

with a copy to:

Chief Counsel
The Unified Government of Wyandotte County/Kansas City, Kansas
701 North 7th Street, Suite 961
Kansas City, Kansas 66101
Telephone: 913-573-5060
Facsimile: 913-573-5243

And a copy to:

Douglas G. Bach
County Administrator
The Unified Government of Wyandotte County/Kansas City, Kansas
701 North 7th Street, Suite 945
Kansas City, Kansas 66101
Telephone: 913-573-5030
Facsimile: 913-573-5540

And a copy to:

Todd A. LaSala, Esq.
Stinson Leonard Street LLP
1201 Walnut Street, Suite 2900
Kansas City, Missouri 64106
Telephone: 816-842-8600
Facsimile: 816-412-1225

and to Developer at:

c/o Walton Street Capital
900 North Michigan Avenue, Suite 1900
Chicago, Illinois 60611
Attn: Robby Schwindt
Telephone: 312-915-2811

with a copy to:

c/o Walton Street Capital
900 North Michigan Avenue, Suite 1900
Chicago, Illinois 60611
Attn: Josh Zemon
Telephone: 312-915-1595

And with a copy to:

c/o Greenberg Traurig, LLP
77 West Wacker Drive, Suite 3100
Chicago, Illinois 60601
Attn: Jason Toon
Telephone: 312-476-5053

All notices given by fax or personal delivery, followed up by regular United States mail, shall be deemed duly given one business day after they are so delivered.

10.12 Entire Agreement. Together with the Exhibits hereto, this Agreement constitutes the entire agreement of the parties with respect to the subject matter hereof and supersedes and replaces all prior oral or written agreements concerning the subject matter hereof.

10.13 Run with the Land. This Agreement shall be binding on and inure to the benefit of the parties hereto and their respective heirs, successors and assigns and shall run with the land. However, Developer shall remain liable in the event of a violation of any of the terms or restrictions set forth in Section 7.12 and 7.15 hereof. The parties shall record a memorandum describing this Agreement in the Office of the Register of Deeds of Wyandotte County, Kansas.

[Remainder of page intentionally left blank. Signature pages immediately follow.]

THE UNIFIED GOVERNMENT OF WYANDOTTE
COUNTY/KANSAS CITY, KANSAS

By: Doug G. Bach
Name: Douglas G. Bach
Its: County Administrator

STATE OF KANSAS)
) SS.
COUNTY OF WYANDOTTE)

This instrument was acknowledged before me on February 8, 2018, by Doug Bach as the County Administrator of the Unified Government of Wyandotte County/Kansas City, Kansas.

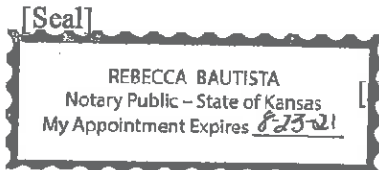
Rebecca Bautista

Printed Name: Rebecca Bautista

Notary Public in and for said State
Commissioned in Wyandotte County

My commission expires

8-23-21



[Signatures continue onto the next page.]

IN WITNESS WHEREOF, the parties hereto have executed these presents as of the day and year first above written.

DEVELOPER:
W-LD LEGENDS OWNER VII, L.L.C.,
a Delaware limited liability company
By: W-LD Legends Holdings VII, L.L.C.,
a Delaware limited liability company,
its Sole Member

By: W-LD Legends Investors VII, L.L.C.,
a Delaware limited liability company,
its Authorized Member

By: Walton Acquisition REOC Holdings VII, L.L.C.,
a Delaware limited liability company,
its Sole Member

By: Walton Street Real Estate Fund VII-Q, L.P.,
a Delaware limited partnership,
its Managing Member

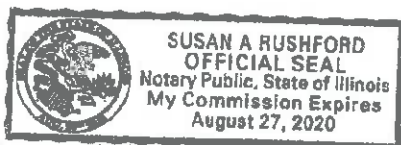
By: Walton Street Managers VII, L.P.,
a Delaware limited partnership,
its General Partner

By: WSC Managers VII, Inc.,
a Delaware corporation,
its General Partner

By: [Signature]
Name: Robby Schwandt
Title: Vice President

STATE OF Illinois)
COUNTY OF COOK) SS.
)

This instrument was acknowledged before me on January 2nd, 2018 by W-LD LEGENDS OWNER VII, L.L.C., a Delaware limited liability company.



My commission expires:

8/27/2020

[Signature]
Printed Name: Susan A Rushford
Notary Public in and for said State
Commissioned in COOK County

INDEX OF EXHIBITS

Exhibit A-1	The Project Site – Legal Description
Exhibit A-2	The Project Site – Map
Exhibit A-3	The Project Site – Detailed Map
Exhibit B-1	CID District – Legal Description
Exhibit B-2	CID District – Map
Exhibit C	CID Petition
Exhibit D	CID Ordinance
Exhibit E	Total Project Budget/CID Project Costs
Exhibit F	Certificate of Expenditure Form
Exhibit G	The Project – Detailed Specifications
Exhibit H	Insurance Specifications
Exhibit I	LBE/MBE/WBE Goals and Requirements
Exhibit J	[Reserved]
Exhibit K	Form of Collateral Assignment

ANNEX 1
DEFINITIONS

"Affiliate" means any person, entity or group of persons or entities which controls Developer, which Developer controls or which is under common control with Developer. As used herein, the term "control" shall mean the possession, directly or indirectly, of the power to direct or cause the direction of management and policies, whether through the ownership of voting securities, by contract or otherwise.

"Agreement" means this Development Agreement for Legends West Lawn by and between the UG and Developer.

"Apartments/Garage Agreement" means that certain Development Agreement for Legends Apartments and Garage by and between the UG and Legends Apartments Legacy, LLC, dated November 20, 2015, as amended by that certain letter dated February 1, 2017, from Douglas G. Bach, County Administrator of the UG, to Dan Lowe of Legacy Development, and as further amended by that certain First Amendment to Development Agreement for Legends Apartments and Garage dated as of January 28, 2018 by and between the UG and Legacy KCK Westside Venture, LLC, a Kansas limited liability company.

"Apartments/Garage Developer" means that certain developer as defined in the Apartments/Garage Agreement, or Legends Apartments Legacy LLC.

"Apartments/Garage Project" means those certain parking garage improvements in connection with the apartment project described in the Apartments/Garage Agreement.

"Applicable Laws and Requirements" means any applicable constitution, treaty, statute, rule, regulation, code, ordinance, order, directive, code, interpretation, judgment, decree, injunction, writ, determination, award, permit, license, authorization, directive, requirement or decision of or agreement with or by Government Authorities (including the UG's Planning Commission), and all requirements of any insurers. Applicable Laws and Requirements shall include, without limitation, the Development Plan, the Kansas Cash Basis Law (K.S.A. 10-1100 *et seq.*) and Budget Law (K.S.A. 75-2935 *et seq.*).

"Bond Documents" means the indenture and other documents related to the issuance of CID Bonds.

"Bond Trustee" means that institution serving as trustee for the CID Bonds under the Bond Documents.

"Casualty" means any fire, storm, earthquake, tornado, flood or natural disaster or other sudden, unexpected or unusual cause of damage or destruction.

"Casualty Escrow" shall have the meaning set forth in Section 7.11.

"Certificate of Expenditure" means the form attached as **Exhibit F** which is to be submitted by Developer to the UG in order to set forth the amount for which reimbursement is sought by Developer, and identification of the relevant CID Project Costs as described in Section 4.7 hereof.

"CID" means a community improvement district pursuant to the CID Act.

"CID Act" means K.S.A. 12-6a26 *et seq.*, as amended.

"CID Administrative Fee" means an amount equal to 1% of the CID Proceeds deposited into the CID Sales Tax Fund hereunder from time to time during the Term, as set forth in Section 4.6 of this Agreement.

"CID Bond Project Fund" shall have the meaning set forth in Section 4.5(a).

"CID Bond Revenue Fund" shall have the meaning set forth in Section 4.5(a).

"CID Bonds" means the bonds issued by the CID to be repaid with CID Proceeds, described in Section 4.5 hereof.

CID terms, generally:

"Total CID Cap" means the combined total of the West Lawn CID Cap and the Apartment CID Cap. The Total CID Cap is \$26,500,000.

"Apartment CID Cap" means the limitations as set forth in the Legends Apartments Development Agreement. The Apartment CID Cap is \$17,500,000.

"West Lawn CID Cap" means the limitation as set forth in Section 4.4(a) hereof. The West Lawn CID Cap is \$9,000,000.

"CID Collection Period" means the period that commences on the date that the CID Sales Tax is first imposed and concluding upon the date which is the earlier of the following: (a) the date that Developer has been reimbursed for all CID Project Costs by Pay-As-You-Go CID Financing (up to the CID Cap) and any CID Bonds have been repaid; or (b) regardless of whether the Developer has been fully reimbursed for all CID Project Costs, that date which is twenty two (22) years from the date that the CID Sales Tax is first imposed, as set forth in Section 4.4(b) hereof.

"CID District" means the community improvement district generally described in Recital C of this Agreement and the legal description of which is more particularly set out in Exhibit B-1 and the boundaries of which are depicted on Exhibit B-2 attached hereto.

"CID Financing" means the financing generated either through Pay-As-You-Go CID Financing or CID Bonds and used to reimburse or pay CID Project Costs as set forth in Sections 4.4 and 4.5 of this Agreement.

"CID Improvements" means that portion of the Project, the costs of which are CID Project Costs and reimbursable with CID Financing hereunder, subject to the West Lawn CID Cap. The estimated costs for CID Improvements are set forth on Exhibit E hereto.

"CID Ordinance" means the ordinance to be considered by the UG Board of Commissioners for the creation of the CID District pursuant to the CID Act, as more fully described referenced in Recital D hereof and to be attached hereto as Exhibit D if approved by the UG Board of Commissioners.

"CID Petition" means that certain petition submitted by the Developer on or about November 16, 2017, a copy of which is attached hereto as Exhibit C.

"CID Proceeds" means the proceeds from CID Sales Tax generated within the CID District and received by the UG from DOR, as described in Section 4.3 hereof.

“CID Project Costs” means those costs eligible to be paid from CID Proceeds in accordance with K.S.A. 12-6a26 *et seq.* and the budget attached hereto as Exhibit E.

“CID Sales Tax” means taxes on the sale of tangible personal property at retail or the rendering or furnishing of services which are taxable pursuant to the Kansas Retailers’ Sales Tax Act (K.S.A. 79-3601 *et seq.*), as amended, within the CID District, and as more particularly described in Section 4.2 hereof.

“CID Sales Tax Fund” means a separate fund and account established by the UG for collection of the CID Proceeds collected in the CID District as described in Section 4.3 of this Agreement.

“Completion Date” means that certain date for Substantial Completion of the Project described in Section 6.8.

“Construction Documents” means those construction documents more particularly described in Section 6.3 hereof.

“Construction Period Interest” means the interest accrued on money borrowed to pay for CID Project Costs during the period of construction of the CID Improvements, in accordance with K.S.A. 12-6a27(f).

“Critical Project Components” means, collectively, the LED Board (main), LED Board (east), shade structures, grass addition to West Lawn, signage, the escalator enclosure, related West Lawn sitework, 50% of the TI Buildout (based on the Total Project Costs set forth in Exhibit E) and 25% of the Façade/Kiosk work (based on the Total Project Costs set forth in Exhibit E).

“Developer” means W-LD Legends Owner VII, L.L.C., a Delaware limited liability company, and any successor or assigns specifically approved or allowed pursuant to Section 7.13 of the Agreement.

“Development Plan” means the plan agreed to by Developer and the UG, which plan shall be in substantial accordance and compliance with the terms and conditions of Section 2.2 of this Agreement and the final site plan approval from the UG’s Planning Commission.

“DOR” means the Kansas Department of Revenue as set forth in Section 4.2 hereof.

“Effective Date” means the date of this Agreement first above written.

“Environmental Regulation” means any and all present and future laws, statutes, ordinances, rules, regulations and orders of any Government Authorities having jurisdiction over the parties hereto or any portion of the Site or the Site and pertaining to the protection of human health, hazardous substances, pollution, or the environment, including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended by the Superfund Amendments and Reauthorization Act of 1986, and as the same may be further amended from time to time (hereinafter collectively called “CERCLA”).

“Force Majeure” is defined in Section 10.2 hereof.

“GAAP” means generally accepted accounting principles.

“General Contractor” or **“General Contractors”** means that certain General Contractor or General Contractors selected by Developer for the Improvements, as more fully described in Section 6.3 of this Agreement.

“Government Authorities” means any and all jurisdictions, entities, courts, boards, agencies, commissions, offices, divisions, subdivisions, departments, bodies or authorities of any nature whatsoever of any governmental unit (federal, state, county, district, municipality, city or otherwise), whether now or hereafter in existence.

“Hazardous Substance” means any substance that is defined or listed as a hazardous or toxic substance and which is regulated as such or may form the basis of liability under any present or future Environmental Regulation, or that is otherwise prohibited or subject to investigation or remediation under any present or future Environmental Regulation because of its hazardous, toxic, or dangerous properties, including, without limitation, (i) any substance that is a “hazardous substance” under CERCLA, and (ii) petroleum, natural gas, natural gas liquids, liquefied natural gas, and synthetic gas usable for fuel (or mixtures of natural gas and such synthetic gas), only to the extent that the constituents of such synthetic gas are released or threatened to be released into the environment.

“Improvements” means those certain improvements to be constructed as a part of the Project as more particularly described in Section 2.2 hereof.

“Insurance Specifications” means the insurance requirements on Developer in connection with the Project as generally described in Section 7.10 and more fully set forth in Exhibit H hereof.

“IRB” means industrial revenue bond financing pursuant to K.S.A. 12-1741 *et. seq.*

“Material Changes” means any substantial change to any agreement, plan or other document referred to herein, which change would require changes to Developer’s permits or approval of the appropriate Government Authorities or is required by Applicable Laws and Regulations.

“Original CID” means that certain CID formed for the Apartments/Garage Project as described in Section 8.3.

“Pay-As-You-Go CID Financing” means a method of financing pursuant to K.S.A. 12-6a34, in which the costs of the CID Improvements, or a portion thereof, are financed without notes or bonds, and the costs are reimbursed as CID Proceeds are deposited in the CID Sales Tax Fund as set forth in Section 4.4 hereof.

“Permitted Uses” means a first-class retail shopping center featuring a mix of outlet concepts, boutique stores and full-price stores, with dining and entertainment retail uses. For purposes of clarity, the parties agree and acknowledge that the current composition of the shopping center on the Project Site is within the definition of Permitted Uses described herein.

“Person” shall mean any natural person, firm, partnership, association, corporation, limited liability company, trust, entity, public body or government or other entity.

“Plans and Specifications” means those plans and specifications generally described in Section 6.2 hereof.

“Prime Rate” means the rate of interest announced from time to time by Security Bank of Kansas City, or any successor to it, as its prime rate as referenced in Section 9.5 hereof. If such bank, or

any successor to it, ceases to announce a prime rate, the UG shall designate a reasonably comparable financial institution for purposes of determining the Prime Rate.

“Project” means the design, development, and construction of certain improvements on the Project Site as more particularly set forth in Section 2.2 hereof.

“Project Site” means that property generally located at the Legends Outlets Kansas City, which is legally described on Exhibit A-1, generally depicted on Exhibit A-2, and depicted in detail on Exhibit A-3 hereof.

“Public Financing Conditions” means the conditions more particularly described in Section 3.1 hereof.

“State” means the State of Kansas.

“Substantial Completion” or **“Substantially Complete”** means the stage in the progress of the construction of the Project, or as to any particular portion thereof, when said construction is sufficiently complete so that the Project or such particular portion can be occupied or utilized for its intended use.

“Term” means the term of this Agreement as set forth in Section 7.1 hereof.

“Transaction Documents” means the lease, along with any bond trust indentures, bond purchase agreements, tax compliance agreements, financing agreements, and other similar documents executed and delivered by the parties in connection with the IRB financing.

“Total Project Budget” means the estimated budget attached hereto as Exhibit E.

“UG” means the Unified Government of Wyandotte County/Kansas City, Kansas.

“Underwriter” means that institution serving as underwriter for the CID Bonds.

The Project Site – Map



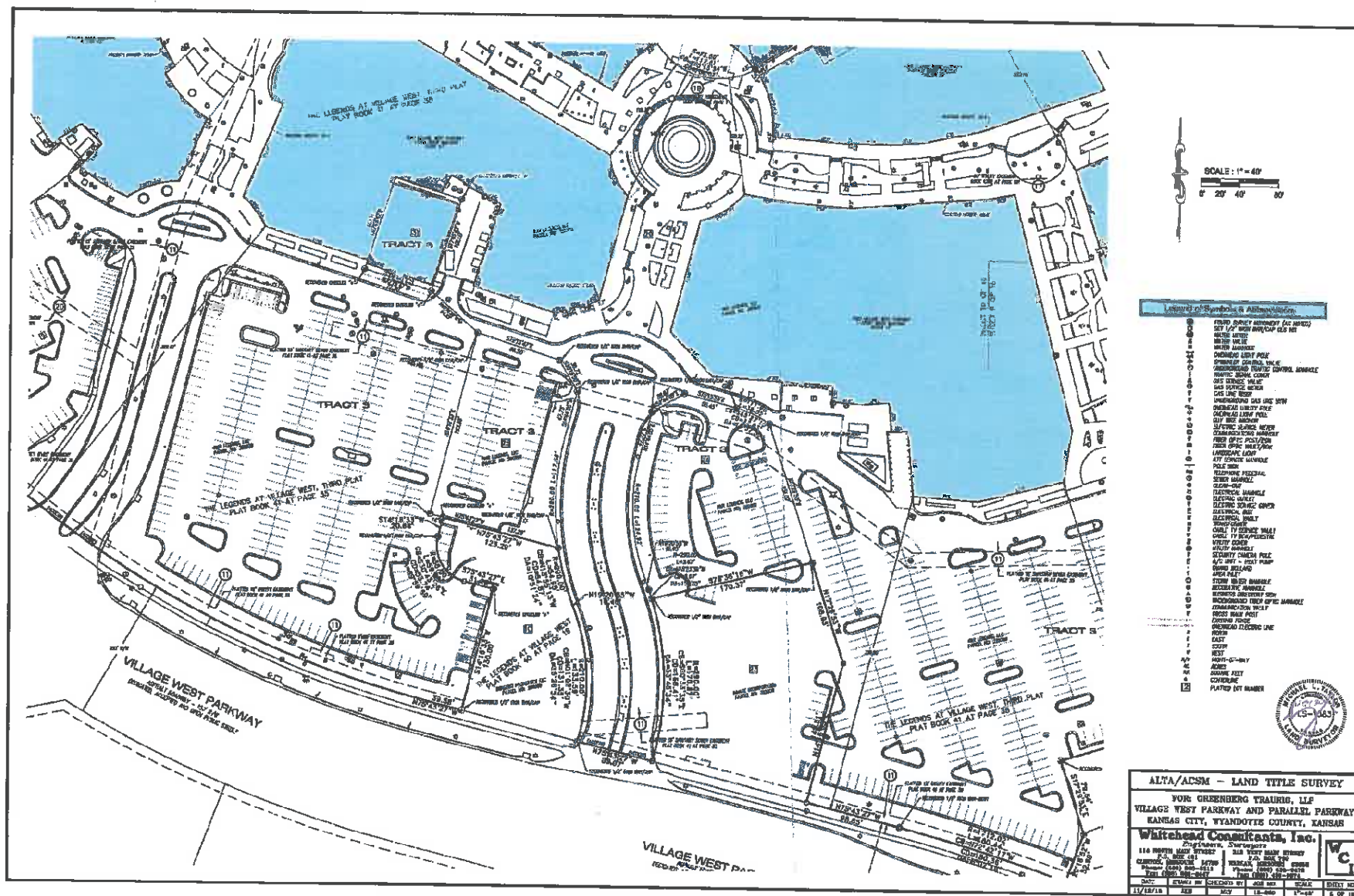


EXHIBIT A-1 - PAGE 3

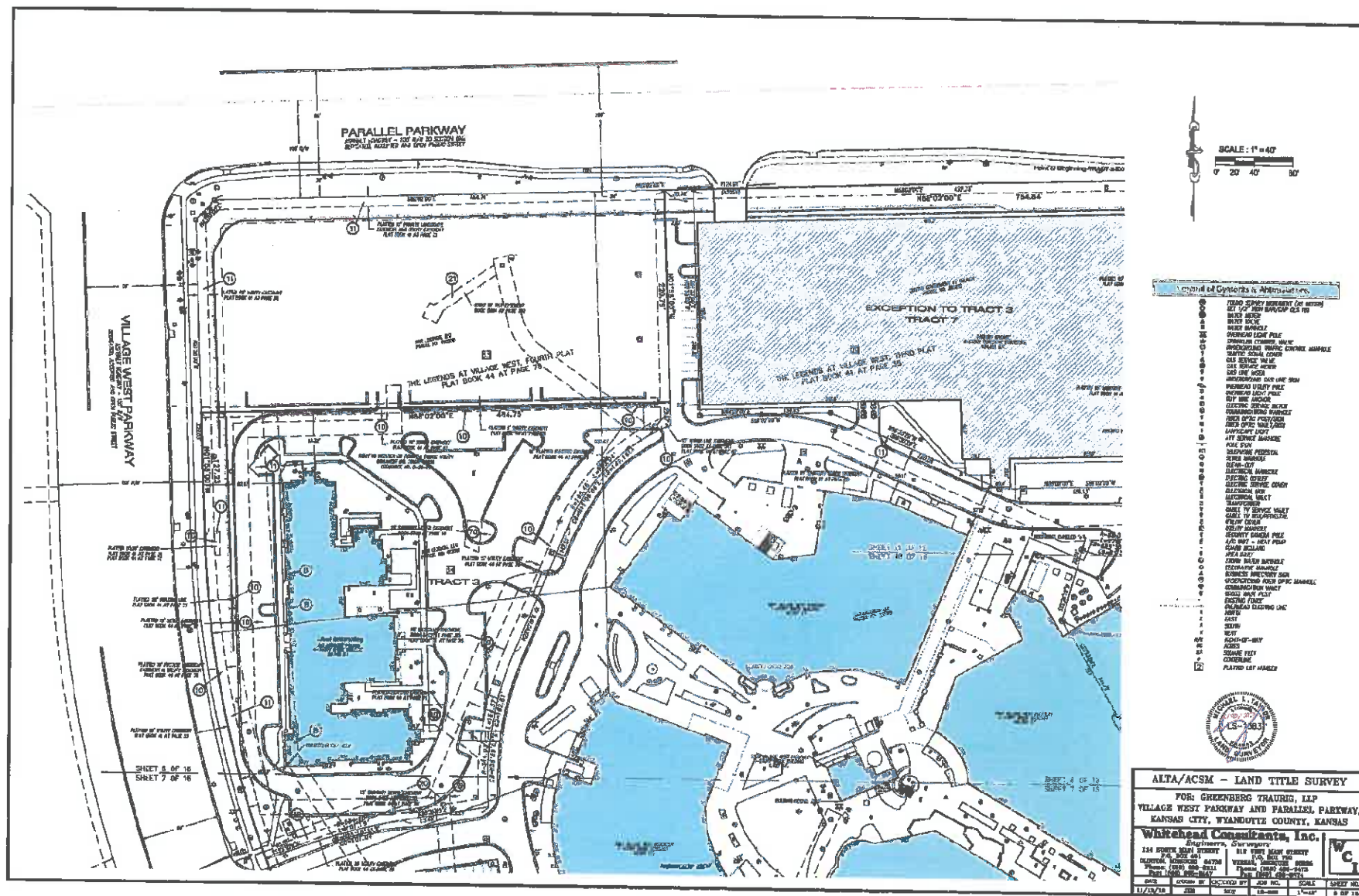


EXHIBIT A-1 - PAGE 4

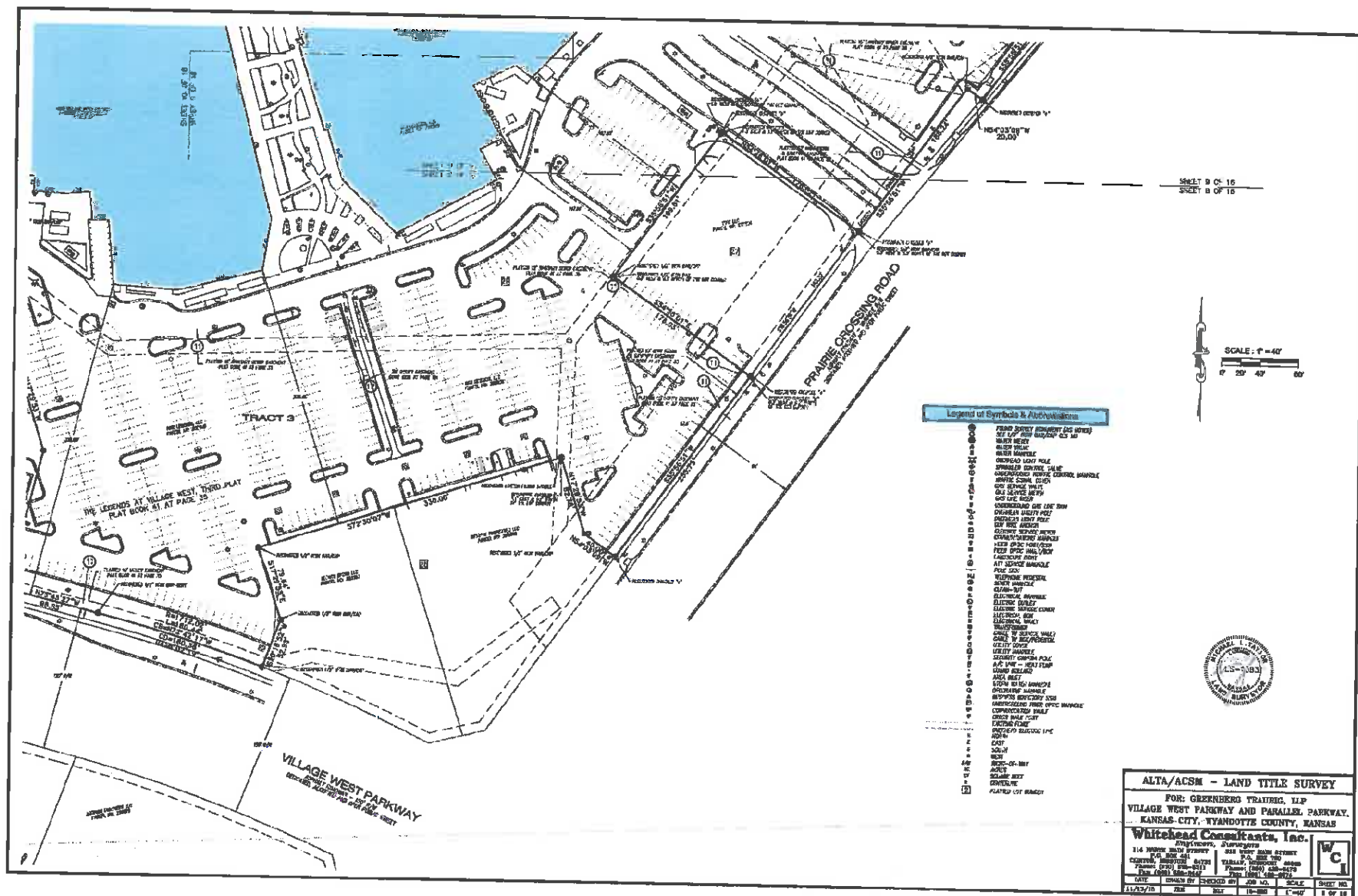


EXHIBIT A-1 - PAGE 6

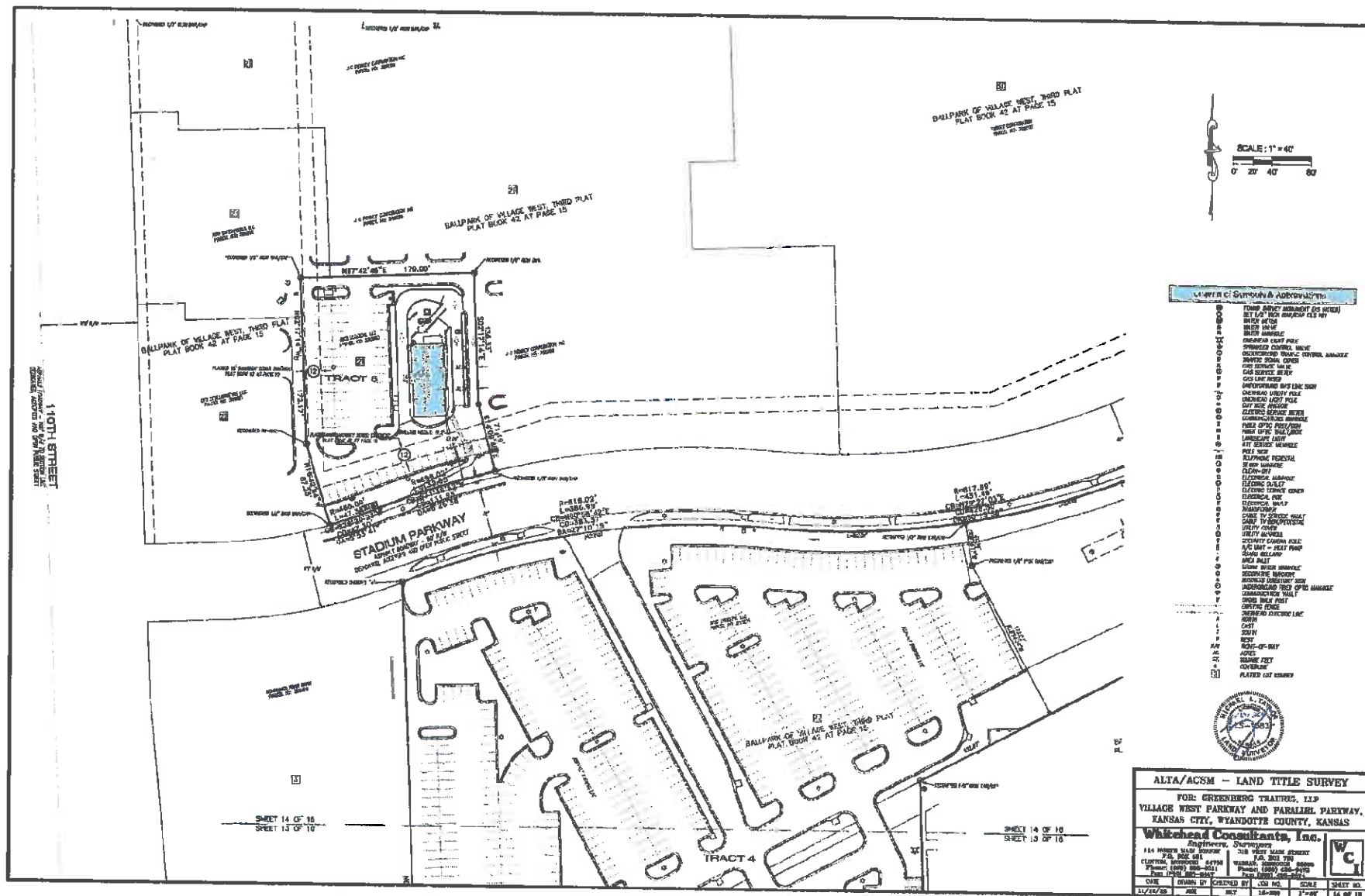


EXHIBIT A-1 - PAGE 12

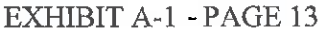


EXHIBIT A-2

The Project Site – Legal Description

TRACT 1:

LOTS 2, AND 3, THE LEGENDS AT VILLAGE WEST, A SUBDIVISION IN KANSAS CITY, WYANDOTTE COUNTY, KANSAS PER PLAT THEREOF RECORDED AS DOCUMENT NO. 2002R-23511 IN PLAT BOOK 40, PAGE 19.

A. TOGETHER WITH A PERPETUAL NON-EXCLUSIVE EASEMENT AND RIGHT OF ACCESS FOR PEDESTRIAN TRAFFIC AND INCLUDING THE PERPETUAL, NON-EXCLUSIVE, FREE RIGHT OF ACCESS, INGRESS AND EGRESS OVER AND ACROSS THE EHLETT TRACT, AS ESTABLISHED BY THE CROSS EASEMENT FOR ACCESS, INGRESS, EGRESS AND PARKING RECORDED FEBRUARY 14, 2003 AS DOCUMENT NO. 2003R-04283 IN BOOK 4548, PAGE 196.

B. TOGETHER WITH NON-EXCLUSIVE EASEMENTS FOR PARKING, ACCESS, SHOPPING CENTER SIGN, UTILITIES, AND DRAINAGE, AS ESTABLISHED BY THE OUTLOT ECR DECLARATION OF RECIPROCAL EASEMENTS, COVENANTS AND RESTRICTIONS RECORDED JULY 10, 2003 AS DOCUMENT NO. 2003R-19419 IN BOOK 4628, PAGE 415, AND AS AFFECTED BY THE ASSIGNMENT AND ASSUMPTION OF RIGHTS UNDER ECR RECORDED AUGUST 1, 2007 AS DOCUMENT NO. 2007R-16911 IN BOOK 5417, PAGE 786, AND AS AFFECTED BY THE ASSIGNMENT AND ASSUMPTION OF REA RECORDED JANUARY 14, 2016 AS DOCUMENT NO. 2016R-00440.

TRACT 2:

LOT 19 AND A 12,000 SQUARE FOOT PRIVATE ACCESS DRIVE, THE LEGENDS AT VILLAGE WEST, SECOND PLAT, A SUBDIVISION IN KANSAS CITY, WYANDOTTE COUNTY, KANSAS PER PLAT THEREOF RECORDED AS DOCUMENT NO. 2004R-10454 IN PLAT BOOK 40, PAGE 97.

TRACT 3:

LOTS 24, 25, AND 31, THE LEGENDS AT VILLAGE WEST, THIRD PLAT, A SUBDIVISION IN KANSAS CITY, WYANDOTTE COUNTY, KANSAS PER PLAT THEREOF RECORDED AS DOCUMENT NO. 2004R-33511 IN PLAT BOOK 41, PAGE 35.

AND

LOT 32, THE LEGENDS AT VILLAGE WEST, FOURTH PLAT, A SUBDIVISION IN THE CITY OF KANSAS CITY, WYANDOTTE COUNTY KANSAS PER PLAT THEREOF RECORDED IN PLAT BOOK 44, PAGE 80.

AND

LOT 34, THE LEGENDS AT VILLAGE WEST, FIFTH PLAT, A SUBDIVISION IN THE CITY OF KANSAS CITY, WYANDOTTE COUNTY, KANSAS PER PLAT THEREOF RECORDED IN PLAT BOOK 44, PAGE 76.

AND

LOT 29, THE LEGENDS AT VILLAGE WEST, THIRD PLAT, A SUBDIVISION IN KANSAS CITY, WYANDOTTE COUNTY, KANSAS PER PLAT THEREOF RECORDED AS DOCUMENT NO. 2004R-33511 IN PLAT BOOK 41, PAGE 35, EXCEPT THAT PART REPLATTED AS THE LEGENDS AT VILLAGE WEST, FOURTH PLAT AND THE LEGENDS AT VILLAGE WEST, FIFTH PLAT, SUBDIVISION IN THE CITY OF KANSAS CITY, WYANDOTTE COUNTY, KANSAS.

**AND ALSO EXCEPT
(THE LEGAL DESCRIPTION OF THE PARKING GARAGE)**

ALL THAT PART OF LOT 29, THE LEGENDS AT VILLAGE WEST, THIRD PLAT, A SUBDIVISION LYING IN THE NORTH HALF OF SECTION 2, TOWNSHIP 11 SOUTH, RANGE 23 EAST, IN KANSAS CITY, WYANDOTTE COUNTY, KANSAS, DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF THE NORTHWEST QUARTER OF SECTION 2, TOWNSHIP 11 SOUTH, RANGE 23 EAST; THENCE SOUTH 88° 02' 00" WEST ALONG THE NORTH LINE OF THE NORTHWEST QUARTER OF SAID SECTION 2 A DISTANCE OF 138.76 FEET TO A POINT; THENCE SOUTH 01° 57' 43" EAST A DISTANCE OF 100.00 FEET TO A POINT ON THE NORTH LINE OF LOT 29, THE LEGENDS AT VILLAGE WEST, THIRD PLAT, THE POINT OF BEGINNING; THENCE CONTINUING SOUTH 01° 57' 43" EAST A DISTANCE OF 317.02 FEET TO A POINT; THENCE SOUTH 88° 02' 00" WEST A DISTANCE OF 186.13 FEET TO A POINT; THENCE NORTH 66° 30' 29" WEST A DISTANCE OF 190.08 FEET TO A POINT; THENCE SOUTH 88° 02' 00" WEST A DISTANCE OF 134.95 FEET TO A POINT; THENCE NORTH 01° 58' 00" WEST A DISTANCE OF 235.32 FEET TO A POINT ON THE NORTH LINE OF SAID LOT 29; THENCE NORTH 88° 02' 00" EAST ALONG THE NORTH LINE OF SAID LOT 29 A DISTANCE OF 492.73 FEET TO THE POINT OF BEGINNING.

A. TOGETHER WITH A PERPETUAL NON-EXCLUSIVE EASEMENT AND RIGHT OF ACCESS FOR PEDESTRIAN TRAFFIC AND INCLUDING THE PERPETUAL, NON-EXCLUSIVE, FREE RIGHT OF ACCESS, INGRESS AND EGRESS OVER AND ACROSS THE EHLERT TRACT, AS ESTABLISHED BY THE CROSS EASEMENT FOR ACCESS, INGRESS, EGRESS AND PARKING RECORDED FEBRUARY 14, 2003 AS DOCUMENT NO. 2003R-04263 IN BOOK 4548, PAGE 196.

B. TOGETHER WITH NON-EXCLUSIVE EASEMENTS FOR PARKING, ACCESS, SHOPPING CENTER SIGN, UTILITIES, AND DRAINAGE AS ESTABLISHED BY THE DECLARATION OF RECIPROCAL EASEMENTS, COVENANTS AND RESTRICTIONS (REA) RECORDED JANUARY 14, 2004 AS DOCUMENT NO. 2004R-01153 IN BOOK 4733, PAGE 448 AND AS AFFECTED BY THE AMENDED AND RESTATED DECLARATION OF RECIPROCAL EASEMENTS, COVENANTS AND RESTRICTIONS RECORDED MAY 11, 2004 AS DOCUMENT NO. 2004R-12187 IN BOOK 4796, PAGE 127 AND AS AFFECTED BY THE SECOND AMENDED AND RESTATED DECLARATION OF RECIPROCAL EASEMENTS, COVENANTS AND RESTRICTIONS RECORDED DECEMBER 16, 2004 AS DOCUMENT NO. 2004R-33515 IN BOOK 4921, PAGE 205 AND AS AFFECTED BY MEMORANDUM OF MODIFICATION (RESTRICTIONS) RECORDED FEBRUARY 22, 2006 AS DOCUMENT NO. 2006R-04264 IN BOOK 5162, PAGE 342, AND AS AFFECTED BY THE ASSIGNMENT AND ASSUMPTION OF RIGHTS UNDER REA RECORDED AUGUST 1, 2007 AS DOCUMENT NO. 2007R-16810 IN BOOK 5417, PAGE 780, AND AS AFFECTED BY THE MEMORANDUM OF SEPARATE AGREEMENT RECORDED OCTOBER 21, 2015 AS DOCUMENT NO. 2015R-15103, AND AS AFFECTED BY THE MEMORANDUM OF AMENDED AND RESTATED AGREEMENT RECORDED JANUARY 14, 2016 AS DOCUMENT NO. 2016R-00431, AND AS AFFECTED BY THE ASSIGNMENT AND ASSUMPTION OF REA RECORDED JANUARY 14, 2016 AS DOCUMENT NO. 2016R-00435.

TRACT 4:

LOT 27, BALLPARK OF VILLAGE WEST, THIRD PLAT, A SUBDIVISION IN KANSAS CITY, WYANDOTTE COUNTY, KANSAS PER PLAT THEREOF RECORDED AS DOCUMENT NO. 2006R-07540 IN PLAT BOOK 42, PAGE 15.

A. TOGETHER WITH NON-EXCLUSIVE EASEMENTS FOR PARKING, ACCESS, SHOPPING CENTER SIGN, UTILITIES, AND DRAINAGE, AS ESTABLISHED BY THE BASEBALL STADIUM DECLARATION OF RECIPROCAL EASEMENTS, COVENANTS AND RESTRICTIONS EXECUTED BY RED SPEEDWAY, INC., RECORDED FEBRUARY 14, 2003 AS DOCUMENT NO. 2003R-04281 IN BOOK 4548, PAGE 132, AS AMENDED BY THE BASEBALL STADIUM AMENDED AND RESTATED DECLARATION OF RECIPROCAL EASEMENTS, COVENANTS AND RESTRICTIONS RECORDED MARCH 31, 2006 AS DOCUMENT NO. 2006R-07551 IN BOOK 5181, PAGE 485, RE-RECORDED JULY 18, 2006 AS DOCUMENT NO. 2006R-17246 IN BOOK 5238, PAGE 377, AND AS AFFECTED BY THE ASSIGNMENT AND ASSUMPTION OF RIGHTS UNDER BASEBALL REAS RECORDED AUGUST 1, 2007 AS DOCUMENT NO. 2007R-16813 IN BOOK 5417, PAGE 798, AND AS AFFECTED BY THE ASSIGNMENT AND ASSUMPTION OF REA RECORDED JANUARY 14, 2016 AS DOCUMENT NO. 2016R-00438.

TRACT 5:

LOTS 21 AND 28, BALLPARK OF VILLAGE WEST, THIRD PLAT, A SUBDIVISION IN KANSAS CITY, WYANDOTTE COUNTY, KANSAS, PER PLAT THEREOF RECORDED AS DOCUMENT NO. 2006R-07540 IN PLAT BOOK 42, PAGE 15.

A. TOGETHER WITH NON-EXCLUSIVE EASEMENTS FOR INGRESS, EGRESS, PARKING, AND UTILITIES, AS ESTABLISHED BY THE OPERATION AND EASEMENT AGREEMENT (TARGET AND J.C. PENNEY) RECORDED MARCH 31, 2005 AS DOCUMENT NO. 2006R-07554 IN BOOK 5181, PAGE 537, AS AFFECTED BY THE ASSIGNMENT AND ASSUMPTION OF RIGHTS UNDER OEA RECORDED AUGUST 1, 2007 AS DOCUMENT NO. 2007R-16812 IN BOOK 5417, PAGE 792, AND AS AFFECTED BY THE ASSIGNMENT AND ASSUMPTION OF REA RECORDED JANUARY 14, 2016 AS DOCUMENT NO. 2016R-00444.

TRACT 6:

LOT 31, BALLPARK OF VILLAGE WEST, FOURTH PLAT, A SUBDIVISION IN KANSAS CITY, WYANDOTTE COUNTY, KANSAS, PER PLAT THEREOF RECORDED AS DOCUMENT NO. 2008R-20515 IN PLAT BOOK 42, PAGE 151, BEING A RE-PLAT OF LOTS 25 AND 26, BALLPARK OF VILLAGE WEST, THIRD PLAT.

A. TOGETHER WITH NON-EXCLUSIVE EASEMENTS FOR PARKING, ACCESS, SHOPPING CENTER SIGN, UTILITIES, AND DRAINAGE, AS ESTABLISHED BY THE BASEBALL STADIUM DECLARATION OF RECIPROCAL EASEMENTS, COVENANTS AND RESTRICTIONS EXECUTED BY RED SPEEDWAY, INC., RECORDED FEBRUARY 14, 2003 AS DOCUMENT NO. 2003R-04281 IN BOOK 4548, PAGE 132, AS AMENDED BY THE BASEBALL STADIUM AMENDED AND RESTATED DECLARATION OF RECIPROCAL EASEMENTS, COVENANTS AND RESTRICTIONS RECORDED MARCH 31, 2006 AS DOCUMENT NO. 2006R-07551 IN BOOK 5181, PAGE 485, RE-RECORDED JULY 18, 2006 AS DOCUMENT NO. 2006R-17246 IN BOOK 5238, PAGE 377, AND AS AFFECTED BY THE ASSIGNMENT AND ASSUMPTION OF RIGHTS UNDER BASEBALL REAS RECORDED AUGUST 1, 2007 AS DOCUMENT NO. 2007R-16813 IN BOOK 5417, PAGE 798, AND AS AFFECTED BY THE ASSIGNMENT AND ASSUMPTION OF REA RECORDED JANUARY 14, 2016 AS DOCUMENT NO. 2016R-00438.

TRACT 7:

ALL THAT PART OF LOT 29, THE LEGENDS AT VILLAGE WEST, THIRD PLAT, A SUBDIVISION LYING IN THE NORTH HALF OF SECTION 2, TOWNSHIP 11 SOUTH, RANGE 23 EAST, IN KANSAS CITY, WYANDOTTE COUNTY, KANSAS, DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF THE NORTHWEST QUARTER OF SECTION 2, TOWNSHIP 11 SOUTH, RANGE 23 EAST; THENCE SOUTH 88° 02' 00" WEST ALONG THE NORTH LINE OF THE NORTHWEST QUARTER OF SAID SECTION 2 A DISTANCE OF 136.76 FEET TO A POINT; THENCE SOUTH 01° 57' 43" EAST A DISTANCE OF 100.00 FEET TO A POINT ON THE NORTH LINE OF LOT 29, THE LEGENDS AT VILLAGE WEST, THIRD PLAT, THE POINT OF BEGINNING; THENCE CONTINUING SOUTH 01° 57' 43" EAST A DISTANCE OF 317.02 FEET TO A POINT; THENCE SOUTH 88° 02' 00" WEST A DISTANCE OF 186.13 FEET TO A POINT; THENCE NORTH 66° 30' 29" WEST A DISTANCE OF 190.08 FEET TO A POINT; THENCE SOUTH 88° 02' 00" WEST A DISTANCE OF 134.95 FEET TO A POINT; THENCE NORTH 01° 58' 00" WEST A DISTANCE OF 235.32 FEET TO A POINT ON THE NORTH LINE OF SAID LOT 29; THENCE NORTH 88° 02' 00" EAST ALONG THE NORTH LINE OF SAID LOT 29 A DISTANCE OF 492.73 FEET TO THE POINT OF BEGINNING.

A. TOGETHER WITH A PERPETUAL NON-EXCLUSIVE EASEMENT AND RIGHT OF ACCESS FOR PEDESTRIAN TRAFFIC AND INCLUDING THE PERPETUAL, NON-EXCLUSIVE, FREE RIGHT OF ACCESS, INGRESS AND EGRESS OVER AND ACROSS THE EHLERT TRACT, AS ESTABLISHED BY THE CROSS EASEMENT FOR ACCESS, INGRESS, EGRESS AND PARKING RECORDED FEBRUARY 14, 2003 AS DOCUMENT NO. 2003R-04283 IN BOOK 4548 AT PAGE 196.

B. TOGETHER WITH NON-EXCLUSIVE EASEMENTS FOR PARKING, ACCESS, SHOPPING CENTER SIGN, UTILITIES, AND DRAINAGE AS ESTABLISHED BY THE DECLARATION OF RECIPROCAL EASEMENTS, COVENANTS AND RESTRICTIONS (REA) RECORDED JANUARY 14, 2004 AS DOCUMENT NO. 2004R-01153 IN BOOK 4733, PAGE 448 AND AS AFFECTED BY THE AMENDED AND RESTATED DECLARATION OF RECIPROCAL EASEMENTS, COVENANTS AND RESTRICTIONS RECORDED MAY 11, 2004 AS

DOCUMENT NO. 2004R-12187 IN BOOK 4796, PAGE 127 AND AS AFFECTED BY THE SECOND AMENDED AND RESTATED DECLARATION OF RECIPROCAL EASEMENTS, COVENANTS AND RESTRICTIONS RECORDED DECEMBER 16, 2004 AS DOCUMENT NO. 2004R-33515 IN BOOK 4921, PAGE 205 AND AS AFFECTED BY MEMORANDUM OF MODIFICATION (RESTRICTIONS) RECORDED FEBRUARY 22, 2006 AS DOCUMENT NO. 2006R-04264 IN BOOK 5162 AT PAGE 342, AND AS AFFECTED BY THE ASSIGNMENT AND ASSUMPTION OF RIGHTS UNDER REA RECORDED AUGUST 1, 2007 AS DOCUMENT NO. 2007R-16810 IN BOOK 5417 AT PAGE 780, AND AS AFFECTED BY THE MEMORANDUM OF SEPARATE AGREEMENT RECORDED OCTOBER 21, 2015 AS DOCUMENT NO. 2015R-15103, AND AS AFFECTED BY THE MEMORANDUM OF AMENDED AND RESTATED AGREEMENT RECORDED JANUARY 14, 2016 AS DOCUMENT NO. 2016R-00431, AND AS AFFECTED BY THE ASSIGNMENT AND ASSUMPTION OF REA RECORDED JANUARY 14, 2016 AS DOCUMENT NO. 2016R-00435.

TRACT 8:

LOT 28, THE LEGENDS AT VILLAGE WEST, THIRD PLAT, A SUBDIVISION IN KANSAS CITY, WYANDOTTE COUNTY, KANSAS.

AS TO ALL TRACTS:

TOGETHER WITH NON-EXCLUSIVE EASEMENTS FOR INGRESS, EGRESS, UTILITIES, SIGNS, AND LANDSCAPING, AS ESTABLISHED BY THE MASTER DECLARATION OF OPERATION AND EASEMENTS, COVENANTS, CONDITIONS AND RESTRICTIONS AGREEMENT RECORDED NOVEMBER 2, 2001 AS DOCUMENT NO. 2001R-24257 IN BOOK 4347, PAGE 481 AND AS CORRECTED BY THE CORRECTION MASTER DECLARATION OF OPERATION AND EASEMENTS, COVENANTS, CONDITIONS AND RESTRICTIONS AGREEMENT RECORDED DECEMBER 30, 2002 AS DOCUMENT NO. 2002R-31807 IN BOOK 4524, PAGE 92 AS AMENDED BY FIRST AMENDMENT TO MASTER DECLARATION RECORDED FEBRUARY 14, 2003 AS DOCUMENT NO. 2003R-04273 IN BOOK 4548, PAGE 35, AND AS AFFECTED BY ASSIGNMENT AND ASSUMPTION OF REA RECORDED JANUARY 14, 2016 AS DOCUMENT NO. 2016R-00437.

EXHIBIT B-1

CID District - Legal Description

[Attached.]

The following property located in Wyandotte County, Kansas

Part of platted land in Section 02, Township 11 South, Range 23 East, being part of The Legends at Village West, all of The Legends at Village West, Second Plat, all of The Legends at Village West, Third Plat, all of The Legends at Village West, Fourth Plat, all of The Legends at Village West, Fifth Plat and part Ballpark of Village West, Third Plat, all being subdivisions in Kansas City, Wyandotte County, Kansas and being more particularly described as follows:

Beginning at the Northeast corner of Lot 22, of said The Legends at Village West, Second Plat, said point also being the point of intersection of the South Right-of-Way line of said Parallel Parkway and the West Right-of-Way line of said Interstate Highway No. 435, as both are now established; thence Southeasterly, along the East line of said The Legends at Village West, Second Plat and along the West Right-of-Way line of said Interstate Highway No. 435, to the Southeast corner of said Lot 22, said point also being the point of intersection of the West Right-of-Way line of said Interstate Highway No. 435 and the North Right-of-Way line of Troup Avenue, as now established; thence West, departing the West Right-of-Way line of said Interstate Highway No. 435, and along North Right-of-Way line of said Troup Avenue, and along its Westerly prolongation, to the point of intersection of the Westerly prolongation of the North Right-of-Way line of said Troup Avenue and the Westerly Right-of-Way line of Prairie Crossing Street, said point also being on the Easterly line of The Legends at Village West, Third Plat; thence Southerly and Southwesterly, along the Westerly and Northwesterly Right-of-Way line of said Prairie Crossing Street, and along the Easterly line of said The Legends at Village West, Third Plat and along the Easterly line of said The Legends at Village West, to the most Southerly corner of Lot 1, of said The Legends at Village West, said point also being the point of intersection of the Northwesterly Right-of-Way line of said Prairie Crossing Street and the Northeasterly Right-of-Way line of State Avenue, as now established; thence Northwesterly, departing the Northwesterly Right-of-Way line of said Prairie Crossing Street, and along the Southwesterly line of said The Legends at Village West, and along the Northeasterly Right-of-Way line of said State Avenue, to the Southwest corner of Lot 4, of said The Legends at Village West, said point also being the point of intersection of the Northeasterly Right-of-Way line of said State Avenue and the Easterly Right-of-Way line of Sunflower Lane, as now established; thence Northerly and Northeasterly, departing the Northeasterly Right-of-Way line of said State Avenue, and along the West line of said The Legends at Village West and along the Easterly Right-of-Way line of said Sunflower Lane and along its Northerly prolongation, to the point of intersection of the Northerly prolongation of the East Right-of-Way line of said Sunflower Lane and the Northeasterly Right-of-Way line of Village West Parkway, as now established, said point also being on the Southwesterly line of said The Legends at Village West, Third Plat; thence Northwesterly, along the Northeasterly Right-of-Way line of said Village West

Parkway and along the Southwesterly line of said The Legends at Village West, Third Plat, to the point of intersection of the Northeasterly Right-of-Way line of said Village West Parkway and the Northeasterly prolongation of the Northerly Right-of-Way line of Stadium Parkway, as now established; thence Southwesterly, departing the Southwesterly line of said The Legends at Village West, Third Plat and along the Northerly Right-of-Way line of said Stadium Parkway and its Northeasterly prolongation, to the Southwest corner of Lot 22, of said Ballpark of Village West, Third Plat, said point also being the point of intersection of the North Right-of-Way line of said Stadium Parkway and the East Right-of-Way line of 110th Street, as now established; thence North, departing the North Right-of-Way line of said Stadium Parkway and along the West line of said Ballpark of Village West, Third Plat, and along the East Right-of-Way line of said 110th Street, to the Southwest corner of Lot 24 of said Ballpark of Village West, Third Plat; thence East, departing the East Right-of-Way line of said 110th Street, and the West line of said Ballpark of Village West, Third Plat, and along the South line of said Lot 24, to the Southeast corner of said Lot 24, said point also being the Southwest corner of Lot 28, of said Ballpark of Village West, Third Plat; thence North, along the West line of said Lot 28, to the Northwest corner of said Lot 28, said point also being on the North line of said Ballpark of Village West, Third Plat, said point also being on the South Right-of-Way line of Parallel Parkway; thence East, along the North line of said Ballpark at Village West, Third Plat, and along the North line of said The Legends at Village West, Fifth Plat, and along the North line of said The Legends at Village West, Third Plat, and along the North line of said The Legends at Village West, Fourth Plat, and along the North line of said Legends at Village West, Second Plat, and along the South Right-of-Way line of said Parallel Parkway, to the Point of Beginning.

Except that part platted as Lot 28, THE LEGENDS AT VILLAGE WEST THIRD PLAT, a subdivision of land in Kansas City, Wyandotte County, Kansas.

CID District – Map

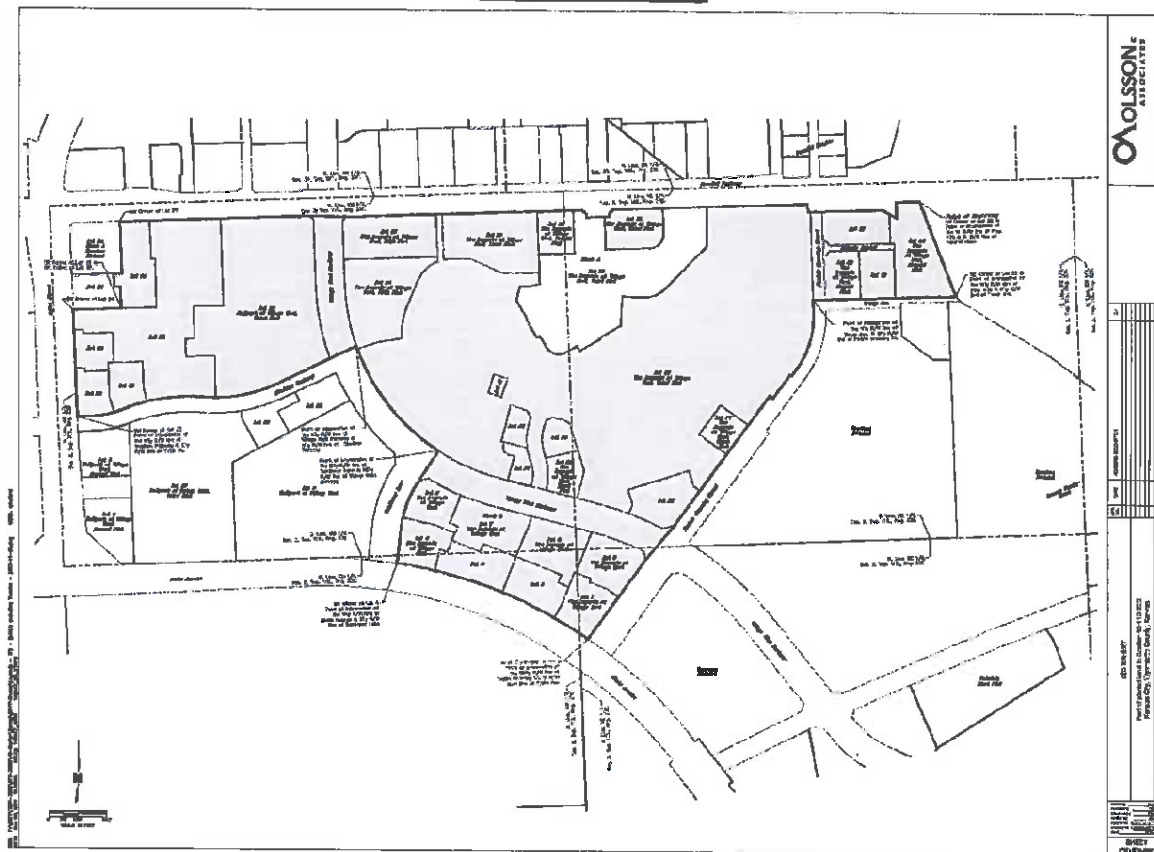


EXHIBIT C

CID Petition

FILED

NOV 16 2017

UNITED GOVERNMENT CLERK

PETITION FOR THE CREATION OF A COMMUNITY IMPROVEMENT DISTRICT (LEGENDS GARAGE AND LAWN)

TO: The Governing Body
Unified Government of Wyandotte County/Kansas City, Kansas

The undersigned ("Petitioners"), being the owners of record, whether recorded or not, of the following:

1. More than fifty-five percent (55%) of the land area contained within the hereinafter described community improvement district (excluding public right-of-way); and
2. More than fifty-five percent (55%) by assessed value of the land area contained within the hereinafter described community improvement district (excluding public right-of-way)

herby petition the Unified Government of Wyandotte County/Kansas City, Kansas (the "UG" or "Municipality") to create the Legends Garage and Lawn Community Improvement District ("CID") and authorize the proposed CID project (the "CID Project") hereinafter set forth, all in the manner provided by K.S.A. § 12-6a26, et seq. (the "Act"). In furtherance of such request, the Petitioners state as follows:

1. GENERAL NATURE

The general nature of the proposed CID Project consists of the development of the property and surrounding area into a luxury apartment complex, adjacent parking garage for residents of the apartments and for visitors and customers of the Legends/Village West shopping district, and common area amenities potentially containing the following, all in the vicinity of the southeast quadrant of Village West Parkway and Parallel Parkway within the City:

- a. Residential and multi-family development;
- b. Associated parking, transportation, infrastructure improvements and common area improvements.

2. NEED FOR

The Petitioners certify to the UG that but for the creation of the CID and the anticipated payment or reimbursement of the costs of the Project with revenue from the CID Sales Tax (as defined below), the Project would not occur.

3. ESTIMATED COST

The proceeds from the CID Sales Tax shall be available to the named developer under a redevelopment between the developer and the UG for payment or reimbursement of CID

Project Costs but shall in no event exceed \$26,500,000 (the "CID Cap") cumulatively for the CID Project. The CID Cap shall for all purposes set forth herein, operate as a cap on the use of CID Sales Tax for payment or reimbursement of any and all CID Project Costs and such CID Cap shall not include and shall be net of: (i) any Construction Period Interest (as defined below), (ii) costs of issuance of any notes or bonds and (iii) interest on CID Project Costs pursuant to any notes or bonds. Once payment or reimbursement to the applicable developers equals the CID Cap for payment or reimbursement of CID Project Costs and any outstanding obligations have been repaid, the parties understand and agree that the CID shall thereafter terminate, and the CID Sales Tax shall terminate and no longer be levied or collected within the District. For the purposes of this Petition, "Construction Period Interest" shall be defined as the interest accrued on money borrowed to pay for the CID Project Costs during the period of construction of the Project, in accordance with K.S.A. § 12-6a27(f). For purposes of this Petition, the term "CID Project Costs" means those costs eligible to be paid or reimbursed from CID Proceeds for the Project in accordance with K.S.A. § 12-6a26, *et seq.* and the estimated budget attached hereto as **Exhibit C**.

4. PROPOSED METHOD OF FINANCING

The proposed method of financing a portion of the CID Project is through a combination of private equity, private debt and CID Financing, either as pay-as-you-go financing or through the issuance of special obligation bonds, both as defined in the Act.

5. PROPOSED METHOD AND AMOUNT OF ASSESSMENT

It is not being proposed that the Project be financed through the levying of assessments.

6. PROPOSED AMOUNT OF SALES TAX

It is being proposed that the Project be financed in part through the levying of a 1.0% CID sales tax as authorized by the Act (the "CID Sales Tax").

7. MAP AND LEGAL DESCRIPTION OF THE PROPOSED CID

A map of the CID is attached hereto at **Exhibit A**. The legal description of the CID is attached hereto at **Exhibit B**.

8. LIMITATION ON USE OF REVENUE

Revenue produced from the CID Sales Tax shall be limited to the payment or reimbursement of costs associated with the preparation of studies, site design, analysis, legal and any other such costs as might be permitted to be paid or reimbursed under the Act.

9. NOTICE TO PETITION SIGNER

NAMES MAY NOT BE WITHDRAWN FROM THIS PETITION BY THE SIGNERS HEREOF AFTER THE UG COMMENCES CONSIDERATION OF THIS PETITION, OR LATER THAN SEVEN (7) DAYS AFTER THE FILING HEREOF WITH THE UG CLERK, WHICHEVER OCCURS FIRST.

10. SEVERABILITY

If any provision of this Petition shall be held or determined to be invalid, inoperative or unenforceable as applied in any particular case, or in all cases, because it conflicts with any other provision or provisions of this Petition or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance, or of rendering any other provision contained in this Petition invalid, inoperative or unenforceable to any extent whatsoever.

IN WITNESS WHEREOF, on the date(s) set forth below the undersigned Petitioners have executed the above foregoing Petition to create the **Legends Garage and Lawn Community Improvement District**.

No further text on this page

W-LD LEGENDS OWNER VII, L.L.C.,
a Delaware limited liability company

By: W-LD Legends Holdings VII, L.L.C.,
a Delaware limited liability company,
its Sole Member

By: W-LD Legends Investors VII, L.L.C.,
a Delaware limited liability company,
its Sole Member

By: Walton Acquisition REOC Holdings VII, L.L.C.,
a Delaware limited liability company,
its Sole Member

By: Walton Street Real Estate Fund VII-Q, L.P.,
a Delaware limited partnership,
its Managing Member

By: Walton Street Managers VII, L.P.,
a Delaware limited partnership,
its General Partner

By: WSC Managers VII, Inc.,
a Delaware corporation,
its General Partner

By: [Signature]
Name: Joshua
Title: Vice President

ACKNOWLEDGMENT

STATE OF Illinois)
) ss.
COUNTY OF Cook)

BE IT REMEMBERED, that on this 9 day of Nov, 2017 before me, the undersigned, a Notary Public in and for said County and State, came Joshua, who is known to me to be the same person who executed the within instrument, and such person duly acknowledged the execution of the same.

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

(Seal)

My Commission Expires:

9/24/19

[Signature]
Notary Public in and for said
County and State



EXHIBIT A

Map of CID

EXHIBIT B
Legal Description of CID

The following property located in Wyandotte County, Kansas

Part of platted land in Section 02, Township 11 South, Range 23 East, being part of The Legends at Village West, all of The Legends at Village West, Second Plat, all of The Legends at Village West, Third Plat, all of The Legends at Village West, Fourth Plat, all of The Legends at Village West, Fifth Plat and part Ballpark of Village West, Third Plat, all being subdivisions in Kansas City, Wyandotte County, Kansas and being more particularly described as follows:

Beginning at the Northeast corner of Lot 22, of said The Legends at Village West, Second Plat, said point also being the point of intersection of the South Right-of-Way line of said Parallel Parkway and the West Right-of-Way line of said Interstate Highway No. 435, as both are now established; thence Southeasterly, along the East line of said The Legends at Village West, Second Plat and along the West Right-of-Way line of said Interstate Highway No. 435, to the Southeast corner of said Lot 22, said point also being the point of intersection of the West Right-of-Way line of said Interstate Highway No. 435 and the North Right-of-Way line of Troup Avenue, as now established; thence West, departing the West Right-of-Way line of said Interstate Highway No. 435, and along North Right-of-Way line of said Troup Avenue, and along its Westerly prolongation, to the point of intersection of the Westerly prolongation of the North Right-of-Way line of said Troup Avenue and the Westerly Right-of-Way line of Prairie Crossing Street, said point also being on the Easterly line of The Legends at Village West, Third Plat; thence Southerly and Southwesterly, along the Westerly and Northwesterly Right-of-Way line of said Prairie Crossing Street, and along the Easterly line of said The Legends at Village West, Third Plat and along the Easterly line of said The Legends at Village West, to the most Southerly corner of Lot 1, of said The Legends at Village West, said point also being the point of intersection of the Northwesterly Right-of-Way line of said Prairie Crossing Street and the Northeasterly Right-of-Way line of State Avenue, as now established; thence Northwesterly, departing the Northwesterly Right-of-Way line of said Prairie Crossing Street, and along the Southwesterly line of said The Legends at Village West, and along the Northeasterly Right-of-Way line of said State Avenue, to the Southwest corner of Lot 4, of said The Legends at Village West, said point also being the point of intersection of the Northeasterly Right-of-Way line of said State Avenue and the Easterly Right-of-Way line of Sunflower Lane, as now established; thence Northerly and Northeasterly, departing the Northeasterly Right-of-Way line of said State Avenue, and along the West line of said The Legends at Village West and along the Easterly Right-of-Way line of said Sunflower Lane and along its Northerly prolongation, to the point of intersection of the Northerly prolongation of the East Right-of-Way line of said Sunflower Lane and the Northeasterly Right-of-Way line of Village West Parkway, as now established, said point also being on the Southwesterly line of said The Legends at Village West, Third Plat; thence Northwesterly, along the Northeasterly Right-of-Way line of said Village West

Parkway and along the Southwesterly line of said The Legends at Village West, Third Plat, to the point of intersection of the Northeasterly Right-of-Way line of said Village West Parkway and the Northeasterly prolongation of the Northerly Right-of-Way line of Stadium Parkway, as now established; thence Southwesterly, departing the Southwesterly line of said The Legends at Village West, Third Plat and along the Northerly Right-of-Way line of said Stadium Parkway and its Northeasterly prolongation, to the Southwest corner of Lot 22, of said Ballpark of Village West, Third Plat, said point also being the point of intersection of the North Right-of-Way line of said Stadium Parkway and the East Right-of-Way line of 110th Street, as now established; thence North, departing the North Right-of-Way line of said Stadium Parkway and along the West line of said Ballpark of Village West, Third Plat, and along the East Right-of-Way line of said 110th Street, to the Southwest corner of Lot 24 of said Ballpark of Village West, Third Plat; thence East, departing the East Right-of-Way line of said 110th Street, and the West line of said Ballpark of Village West, Third Plat, and along the South line of said Lot 24, to the Southeast corner of said Lot 24, said point also being the Southwest corner of Lot 28, of said Ballpark of Village West, Third Plat; thence North, along the West line of said Lot 28, to the Northwest corner of said Lot 28, said point also being on the North line of said Ballpark of Village West, Third Plat, said point also being on the South Right-of-Way line of Parallel Parkway; thence East, along the North line of said Ballpark at Village West, Third Plat, and along the North line of said The Legends at Village West, Fifth Plat, and along the North line of said The Legends at Village West, Third Plat, and along the North line of said The Legends at Village West, Fourth Plat, and along the North line of said Legends at Village West, Second Plat, and along the South Right-of-Way line of said Parallel Parkway, to the Point of Beginning.

Except that part platted as Lot 28, THE LEGENDS AT VILLAGE WEST THIRD PLAT, a subdivision of land in Kansas City, Wyandotte County, Kansas.

EXHIBIT C
CID Project Costs

LEGENDS APARTMENTS AND GARAGE	
LEGENDS APARTMENTS AND GARAGE DEVELOPMENT COST ITEM	ESTIMATED DEVELOPMENT COST
Land, Building and Garage Construction	\$48,950,703
Public Land	\$1,475,913
Private Land	\$2,128,577
General Conditions	\$9,083,036
Professional Services (Eng., Arch, Consul., Legal)	\$2,289,498
Financing Costs (Construction Interest Carry & Closing)	\$1,454,862
Development Fee	\$2,724,793
Hard Cost Contingency	\$1,563,875
Soft Cost Contingency	\$4,089,546
TOTAL DEVELOPMENT COST (TOTAL PROJECT BUDGET)	\$64,332,824
CID PROJECT COSTS REIMBURSABLE TO DEVELOPER	
Garage Development and Construction Costs	\$14,279,077
Public Land	\$2,475,923
Sitework, Storage, Connectivity and Off-Site Costs	\$751,000
TOTAL CID PROJECT COSTS	\$17,506,000

LEGENDS WEST LAWN PROJECT	
CID PROJECT COSTS REIMBURSABLE TO DEVELOPER	
Signage, LED Board, Sign and Facades	\$7,125,000
Fees, Expenses, Design, Architect, Consultants, Engineer	\$1,150,000
Contingency	\$725,000
TOTAL CID PROJECT COSTS	\$9,000,000

EXHIBIT D
CID Ordinance

(Published in *The Wyandotte Echo* on 12-28-17)

ORDINANCE NO. O-76-17

AN ORDINANCE AUTHORIZING THE CREATION OF THE LEGENDS GARAGE AND LAWN COMMUNITY IMPROVEMENT DISTRICT IN KANSAS CITY, KANSAS; AUTHORIZING THE MAKING OF CERTAIN PROJECT IMPROVEMENTS RELATING THERETO; APPROVING THE ESTIMATED COSTS OF SUCH PROJECT IMPROVEMENTS; AND PROVIDING FOR THE METHOD OF FINANCING THE SAME.

WHEREAS, pursuant to K.S.A. 12-6a26 *et seq.*, as amended (the "Act"), cities and counties are authorized to create community improvement districts as a method of financing economic development related improvements in a defined area within their city or county; and

WHEREAS, the Act authorizes the governing body of any city or county to create community improvement districts to finance projects within such defined area of the city or county and to levy a community improvement district sales tax and/or levy special assessments upon property within the district to finance projects; and

WHEREAS, a petition (the "Petition") was filed with the Unified Government Clerk on November 16, 2017, proposing the creation of the Legends Garage and Lawn Community Improvement District (the "District") under the Act and the imposition of a community improvement district sales tax in order to assist in financing the projects as described in the Petition (the "Apartments/Garage Project" and the "West Lawn Project", collectively the "Projects"); and

WHEREAS, the Petition was signed by the required number of owners of record, whether resident or not, as required by the Act; and

WHEREAS, the Unified Government of Wyandotte County/Kansas City, Kansas (the "Unified Government") intends to create the District and to levy a community improvement district sales tax in an amount of one percent (1.00%) as requested in the Petition (the "CID Sales Tax"); and

WHEREAS, the Act provides that prior to creating any community improvement district and imposing a community improvement district sales tax, the governing body shall, by resolution, direct and order a public hearing on the advisability of creating such community improvement district and the construction of such community improvement district projects therein, and to give notice of the hearing by publication at least once each week for two (2) consecutive weeks in the official City newspaper and by certified mail to all property owners within the proposed community improvement district, the second publication to be at least seven (7) days prior to the hearing and such certified mail sent at least ten (10) days prior to such hearing; and

WHEREAS, on December 4, 2017 the Governing Body adopted Resolution No. R-52-17, directing that a public hearing on the proposed District within the Unified Government be held on December 21, 2017, declaring its intent to impose a community improvement district

sales tax, and requiring that the Unified Government Clerk provide for notice of such public hearing as set forth in the Act; and

WHEREAS, the Notice of Public Hearing containing the following information: (a) the time and place of the hearing, (b) the general nature of the proposed community improvement district, (c) the estimated costs of the proposed community improvement district projects; (d) the proposed method of financing the costs of the community improvement district projects; (e) the proposed amount of the community improvement district sales tax; and (f) the map or boundary description of the proposed District, was mailed to all property owners within the proposed District on December 7, 2017 and published once each week for two (2) consecutive weeks in *The Wyandotte Echo*, the official City newspaper, on December 6, 2017 and December 13, 2017; and

WHEREAS, on December 21, 2017, the Governing Body conducted a public hearing on the proposed District, the proposed Projects, and estimated costs thereof and the method of financing the same; and

WHEREAS, the Governing Body hereby finds and determines it to be advisable to create the Legends Garage and Lawn Community Improvement District and set forth the boundaries thereof, authorize community improvement district projects relating thereto, approve the estimated costs of such community improvement district projects and approve the method of financing the same, all in accordance with the provisions of the Act.

NOW, THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS:

Section 1. Creation of Community Improvement District; Boundaries. That the Governing Body hereby finds and determines that it is advisable to create, in accordance with the provisions of the Act, the District within the Unified Government to be referred to as the Legends Garage and Lawn Community Improvement District. The boundaries of the proposed Legends Garage and Lawn Community Improvement District are legally described on Exhibit A and generally depicted on Exhibit B attached hereto and incorporated herein.

Section 2. Authorization of Community Improvement District Projects and Estimated Costs.

(a) The general nature of the Projects is as follows:

The development of the Property and surrounding area into a luxury apartment complex, adjacent garage for residents of the apartments and for visitors and customers of the Legends/Village West shopping district, and common area amenities, all in the vicinity of the southeast quadrant of Village West Parkway and Parallel Parkway within Kansas City, Kansas, potentially containing the following:

(i) residential and multi-family development; associated parking, transportation, infrastructure improvements and common area improvements.

(b) The total estimated cost of the Projects to be funded by the District, as set forth in the Petition, is Twenty Six Million Five Hundred Thousand Dollars and No/100 (\$26,500,000.00), as the same may be changed or modified pursuant to the terms of the development agreement between the Unified Government and the developer of the Projects.

Section 3. Method of Financing.

(a) In order to provide funds to finance the costs of the Projects, it is advisable to impose, in accordance with the provisions of the Act, a community improvement district sales tax within the District in an amount of one percent (1.00%) on the selling of tangible personal property at retail or the rendering or furnishing of services within the District.

(b) There will be no special assessments levied on property within the boundaries of the District to pay the cost of the Projects.

(c) The costs of the Projects will be financed on a pay-as-you-go basis with reimbursements from revenues available from the CID Sales Tax in the District, as well as private equity, private debt, or through sale of special obligation bonds or notes issued by the Unified Government, as permitted by market conditions and other conditions to be agreed upon by the petitioner and the Unified Government, and if the issuance of such bonds or notes is approved by the governing body of the Unified Government. The petitioner is not seeking the issuance of full faith and credit bonds.


Section 4. Imposition of Community Improvement District Sales Tax. In order to provide for the payment of the Projects, the Governing Body of the Unified Government hereby imposes the CID Sales Tax within the District in an amount of one percent (1.00%) on the selling of tangible personal property at retail or the rendering or furnishing of services taxable pursuant to the provisions of the Kansas retailers' sales tax act within the District.

Section 5. Segregation of Sales Tax Revenues. All revenues derived from the collection of the CID Sales Tax shall be deposited into a two separate special funds of the Unified Government to be designated as the "Garage Account" for the Apartments/Garage Project and the "West Lawn Account" for the West Lawn Project. Such revenues shall be used to pay the costs of the Projects and the Unified Government's administrative service fee.

Section 6. Effective Date. This ordinance shall take effect and be in full force from and after its passage by the Governing Body of the Unified Government and publication once in the official City newspaper.

PASSED by the Governing Body this 21st day of December, 2017.

SIGNED by the Mayor this 21 day of December, 2017.



Mayor/CEO

ATTEST:



Unified Government Clerk -

(Seal)

EXHIBIT E
ESTIMATED
TOTAL PROJECT BUDGET / CID PROJECT COSTS

EXHIBIT E

	BUDGET			FUNDING SOURCE	
	Total Project Costs	Costs Spent to Date	Remaining Project Costs	CID	Private
DESIGN ARCHITECT CONSULTANTS ENGINEER					
Design	\$100,000	\$145,000	\$54,000	\$54,000	\$145,000
Architect and Design Consultants	\$400,000	\$0	\$400,000	\$400,000	\$0
Landscape Architect	\$75,000	\$91,839	\$43,861	\$43,861	\$111,879
Legal & Consulting Fees	\$400,000	\$0	\$400,000	\$400,000	\$0
Reimbursable	\$25,000	\$0	\$25,000	\$25,000	\$0
TOTAL	\$1,000,000	\$177,839	\$822,161	\$454,431	\$145,879
ESCALATOR ENCLOSURE					
Glass Enclosure incl roof, doors, HVAC, sprinkles and alarm, see meter					
TOTAL	\$227,067	\$0	\$227,067	\$227,067	\$0
SITEWORK					
General Conditions					
Landscape					
Excavation					
Paving					
TOTAL	\$2,275,000	\$0	\$2,275,000	\$2,275,000	\$0
FAÇADE					
Repairs / Work					
TOTAL	\$4,049,000	\$271,100	\$3,088,800	\$5,055,900	\$971,600
DEMISING					
Tenant Space Demising					
TOTAL	\$9,215,840	\$119,252	\$9,096,587	\$0	\$9,215,840
TI BUILDOUT					
Multiple Tenant Space Buildout					
TOTAL	\$10,000,000	\$5,000,000	\$5,000,000	\$0	\$10,000,000
CONTRACTOR CONTINGENCY 5%	\$1,445,600	\$0	\$1,445,600	\$200,000	\$745,600
SIGNAGE					
Tenant Letters and The Lawn Sign					
TOTAL	\$170,000	\$0	\$170,000	\$170,000	\$0
LED SIGNAGE					
LED SIGNAGE	\$750,000	\$227,250	\$522,750	\$227,250	\$227,250
TOTAL	\$750,000	\$227,250	\$522,750	\$227,250	\$227,250
OWNER CONTINGENCY 1.5%	\$1,200,000	\$0	\$1,200,000	\$600,000	\$1,200,000
FEES and EXPENSES					
Construction Mgt Fee @ 4%	\$1,000,000	\$112,772	\$887,228	\$887,228	\$887,228
Owner Expenses	\$50,000	\$0	\$50,000	\$50,000	\$50,000
Project Management Fee @ 5%	\$175,000	\$0	\$175,000	\$175,000	\$175,000
TOTAL	\$1,225,000	\$112,772	\$1,112,228	\$1,112,228	\$1,112,228
PROJECT TOTAL	\$27,600,000	\$7,010,257	\$20,589,743	\$8,400,611	\$12,457,200

The project costs set forth in this Exhibit E are reasonable best estimates at the time of approval of this Agreement and it is agreed to and understood that such estimates are subject to change as part of the development process. The reimbursable amounts may be applied to any of the stated line items, except Demising and TI Buildout, up to the maximum net reimbursable amount of \$9,000,000.00 and subject to the 50/50 Limitation as described in Article 4.

EXHIBIT F

FORM OF CERTIFICATE OF EXPENDITURE

CERTIFICATE OF EXPENDITURE

TO: Unified Government of Wyandotte County/Kansas City, Kansas
Attention: County Administrator

Re: LEGENDS WEST LAWN

Terms not otherwise defined herein shall have the meaning ascribed to such terms in the Development Agreement for Legends West Lawn dated as of _____, 2018 (the "Agreement") between the Unified Government and the Developer.

In connection with the Agreement, the undersigned hereby states and certifies that:

1. Each item listed on Schedule 1 hereto is a Project Cost and was incurred in connection with the construction of the Project.
2. These Project Costs have been paid by the Developer or are eligible to be paid and are reimbursable under the Agreement.
3. Each item listed on Schedule 1 has not previously been paid or reimbursed from money derived from the CID and no part thereof has been included in any other certificate previously filed with the Unified Government.
4. There has not been filed with or served upon the Developer any notice of any lien, right of lien or attachment upon or claim affecting the right of any person, firm or corporation to receive payment of the amounts stated in this request, except to the extent any such lien is being contested in good faith.
5. All necessary permits and approvals required for the work for which this certificate relates were issued and were in full force and effect at the time such work was being performed.
6. All work for which payment or reimbursement is requested has been performed in a good and workmanlike manner and in accordance with the Agreement.
7. The Developer, to its knowledge, is not in default or breach of any term or condition of the Agreement, and no event has occurred and no condition exists which constitutes a monetary or non-monetary default under the Agreement (after any applicable notice and cure period), but subject to the terms of the Agreement.
8. All of the Developer's representations set forth in the Agreement remain true and correct as of the date hereof.

Dated this ____ day of _____, 20____.

_____, LLC

By: _____

Name: _____

Title: _____

Approved for Payment this ____ day of _____, 20____:

UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS

By: _____

Title: _____

SCHEDULE I
TO
CERTIFICATE OF EXPENDITURE

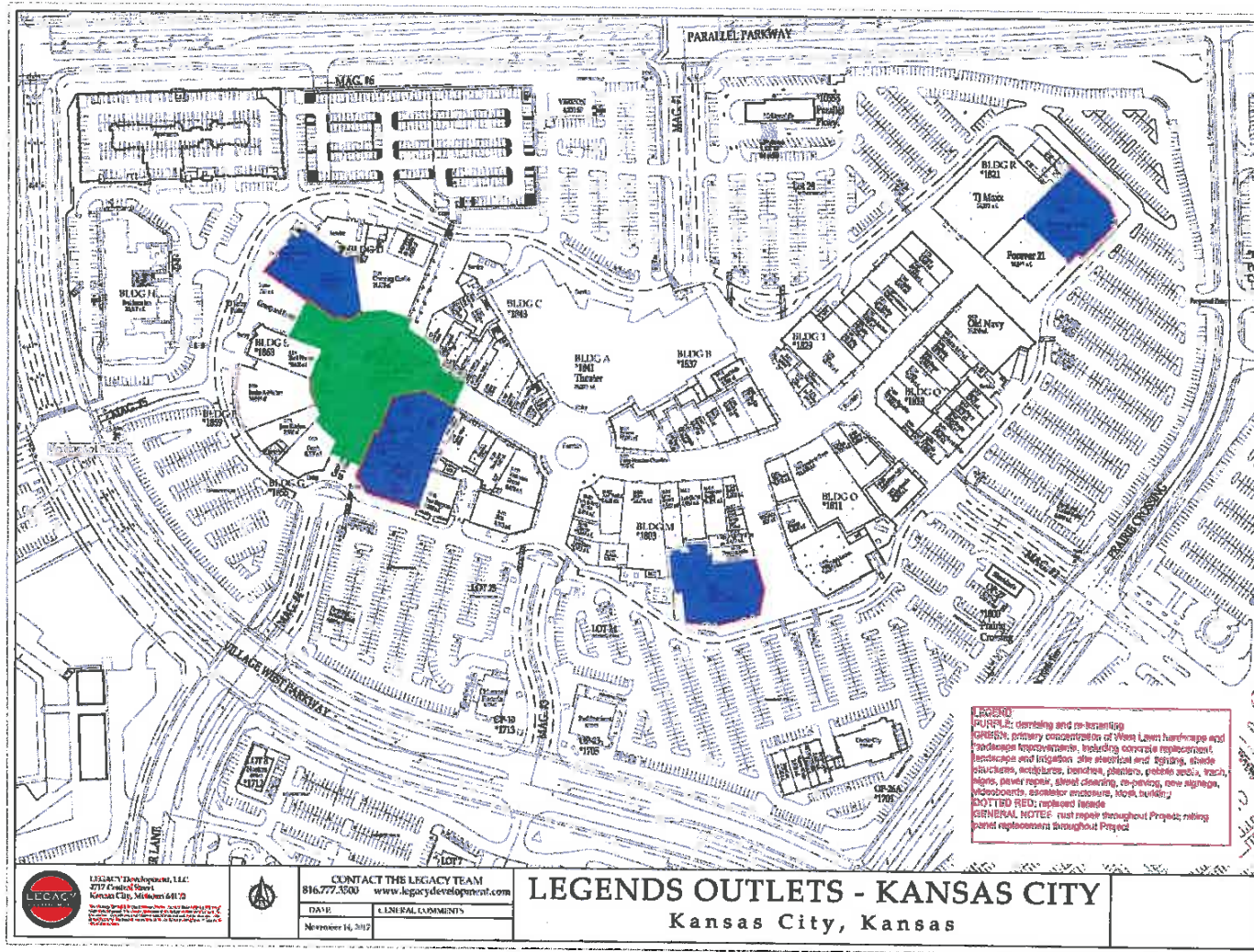
**Description of
Project Costs**

Cost

Payee

Total Costs:

SCOPE OF WORK





The Lawn - Legends Outlets for Legacy Development



JANE DESIGNS, INC.

July 6, 2017

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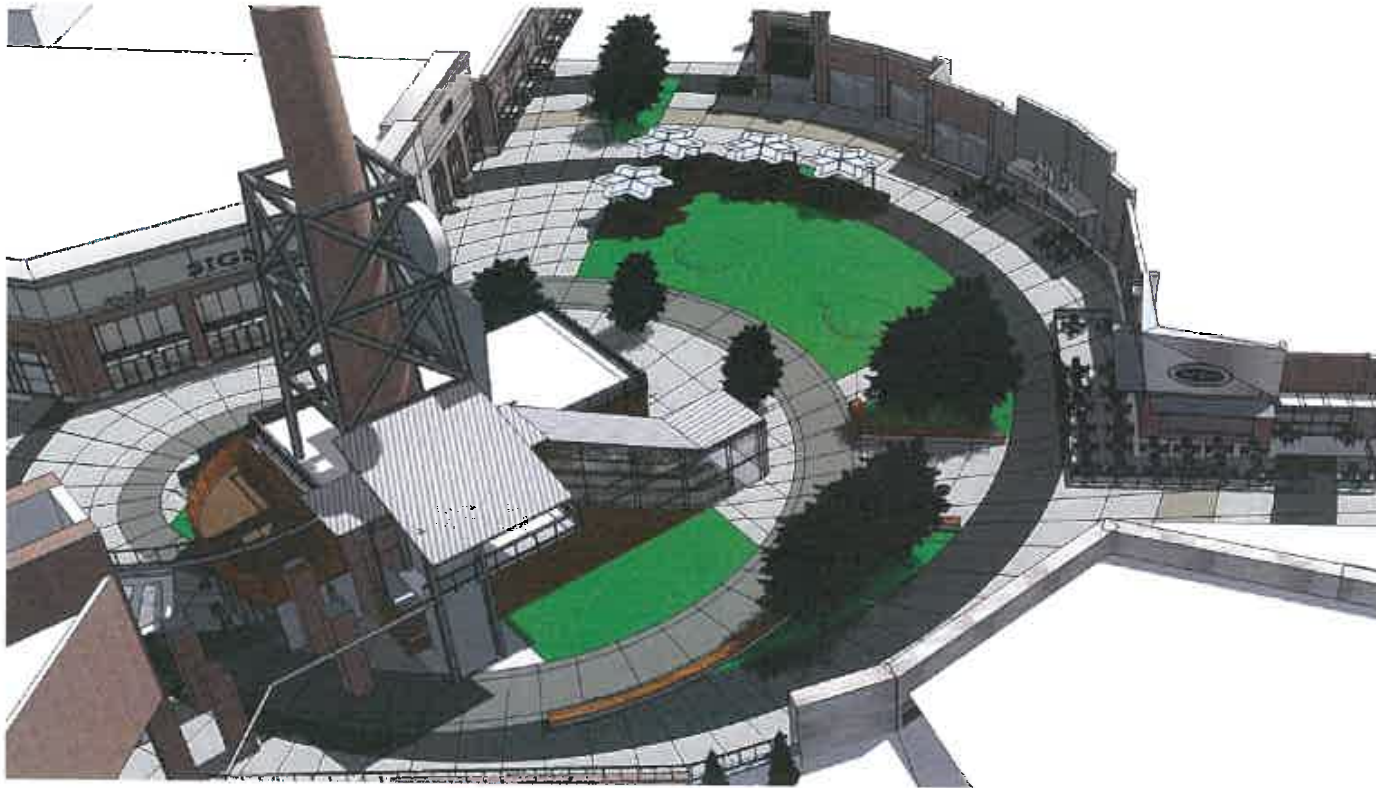
The Lawn - Legends Outlets for Legacy Development



JANE DESIGNS, INC.

July 6, 2013

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The Lawn - Legends Outlets for Legacy Development



JANE DESIGN, INC

July 8, 2012

All content © Jane Design, Inc.



The Lawn - Legends Outlets for Legacy Development



JANE DESIGNS, INC.

July 6, 2012

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The Lawn - Legends Outlets for Legacy Development



J.D. NE DESIGNS, INC.

July 6, 2017

All content © J.D. Ne Designs, Inc.



The Lawn - Legends Outlets for Legacy Development



JANE DESIGNS, INC.

July 6, 2017

All content © Jane Designs, Inc.

EXHIBIT H

Insurance Specifications

1. Worker's Compensation. Developer may self-insure, to the extent allowed by applicable law. The self-insured retention shall be that which is standard in the industry. Developer will then purchase excess Worker's Compensation Insurance with statutory limits over the self-insured retention. If self-insurance is not available under applicable state law, coverage will be purchased in accordance with the statutory requirements.
2. Comprehensive General Liability. Developer will purchase and maintain with primary limits of \$3,000,000.
3. Automobile Liability. Developer will purchase and maintain with primary limits of \$1,000,000.
4. Excess Liability. Developer will purchase and maintain excess liability insurance in an amount not less than \$5,000,000.
5. All Risk Property Insurance. Developer will purchase on a replacement cost basis. Deductibles and limits will be standard to those in the industry, and the policy shall include an "Agreed Amount" endorsement. Earthquake and flood insurance will be included if required and if available at a reasonable cost, fired vessel, boiler and machinery, and underground collapse may be required by the UG as additional perils.

EXHIBIT I

LBE/MBE/WBE GOALS AND REQUIREMENTS

This Exhibit sets forth the guidelines for the utilization of local business, minority, and women enterprises and local resident, minority, and women participation and equal employment opportunity referenced in the Development Agreement for Legends West Lawn (the “**Agreement**”) between the Unified Government of Wyandotte County/Kansas City, Kansas (“**UG**”) and W-LD Legends Owner VII, L.L.C. (“**Developer**”) in connection with new retail improvements and amenities at the Legends Outlets Kansas City, primarily at the western end of the retail project (“**Project**”). The parties agree as follows:

I. SCOPE

These procedures are applicable to the construction of the Project, whether performed by or on behalf of Developer, including, but not limited to, all aspects of the construction of the Improvements and all related facilities, including labor, materials and supplies, and construction-related services, but not including Specialized Services.

II. DEFINITIONS

All capitalized terms used in this Exhibit shall have the meaning ascribed to them in the Agreement and made a part thereof, or as otherwise set forth herein.

A. “Best Efforts” has the meaning set forth in Section III.C.3.b. herein.

B. “Construction” means all aspects of the construction of the Improvements, all related facilities, and the Project, including labor, materials and supplies, and construction-related services, whether performed or contracted for by or on behalf of Developer.

C. “Contractor” means the Proposer selected by Developer for the design, development, or Construction of the Project.

D. “Local Business Enterprises or LBE” means a business headquartered or which maintains a major branch that performs the significant functions of the business in Wyandotte County or a business of which at least fifty-one percent (51%) of the stock, equity, or beneficial interest is owned, held, or controlled and whose day-to-day management is under the control of an individual residing in Wyandotte County. There is no formal certification process for LBE designation. It is determined and assigned based on the criteria referenced in this definition and payment of all applicable Wyandotte County taxes and/or licensing fees.

E. “Local Resident” means an individual that, during his or her employment with the Project, maintains his or her place of domicile in Wyandotte County.

F. “Minority Business Enterprise or MBE” means a business of which at least fifty-one percent (51%) of the stock, equity, or beneficial interest is owned, held, or controlled and/or whose day-to-day management is under the control of a person who is a member of an American ethnic minority group including African-American, Asian-Indian, Asian-Pacific, Hispanic and Native American.

G. “Project” means the Construction of a new first-class luxury apartment building, along with structured parking and related amenities, as legally described in Section 2.2 of and Annex 1 to the Agreement.

H. “Proposer” means a person who submits a proposal in response to a solicitation for proposals issued by Developer or one of its Contractors with respect to the design, development, or Construction of the Project.

I. “Specialized Services” means expertise, services, or products, the application of which are unique to the Construction of the Project and which are only available through sole or limited source providers or national vendors.

J. “Substantial Local Office” means an office operated and financially supported by a firm that has sufficient space, staff, and equipment to carry on the local business of the firm and that is engaged in significant, on-going local involvement with the business community in Wyandotte County, Kansas.

K. “Women Business Enterprise or WBE” means a business of which at least fifty-one percent (51%) of the stock, equity, or beneficial interest is owned, held, or controlled and/or whose day-to-day management is under the control of one or more women who are U.S. citizens or legal resident aliens.

III. DESIGN, DEVELOPMENT, AND CONSTRUCTION OF THE PROJECT

A. GOALS FOR LBE/MBE/WBE PARTICIPATION.

1. Project Design, Development, and Construction Goals.

Developer will use its Best Efforts to meet the following goals based upon the total cost of the Project and all related facilities undertaken by Developer, but not including Specialized Services. In no event shall Developer be required to incur higher costs as a result of its commitment to attempt to meet such goals. These goals are based upon a disparity study performed for the Kansas City Metropolitan Area for LBE, MBE, and WBE participation. These goals are not to act as quotas or set asides.

Business Category	Participation Percentage Goal – Percentage of Total Construction Cost for the Project
LBE	18%
MBE	15%
WBE	7%

It is the intent of the UG to give preference to the utilization of LBEs so long as all other factors relating to the award of an individual contract are equal. If the factors relating to an award of an individual contract are equal, Developer shall give preference to the utilization of LBEs over the utilization of MBEs and WBEs. The Developer shall strive to meet each individual goal listed.

2. Contract Specific Goals.

The parties agree that the goals are set forth for the Project as a whole, excluding Specialized Services, and the UG will reasonably agree to different specific goals for specific

contracts or portions of contracts to be awarded by Developer for Specialized Services, when proposed by the Developer, relating to the Construction of the Project, based upon the availability of qualified LBEs and certified MBEs and WBEs to perform the specific scopes of work delineated in Developer's Construction Utilization Plan (as defined herein).

3. Eligibility for Credit.

a. Only LBE businesses that are qualified and/or MBE or WBE businesses that are certified or undergoing certification at the time of submittal of the subject bid or proposal and ultimately certified as MBEs or WBEs by the Kansas Department of Commerce, State of Missouri, Missouri Department of Transportation, City of Kansas City, Missouri, MidAmerica Minority Business Development Council, Women's Business Enterprise National Council, or any other public or private entity reasonably acceptable to the UG and the Developer (each an "approved" business), may be counted towards the participation goals in Section III.A.1. above.

b. In the event that a contract has been awarded on the Project to an approved LBE/MBE/WBE business, and such LBE/MBE/WBE business later becomes unapproved prior to the completion and acceptance of all the work to be provided under such contract, then Developer shall receive credit towards the goal for only that portion of work performed or services provided up to the point such business becomes unapproved.

4. Construction Workforce.

a. Recruitment and outreach. Developer will use its Best Efforts to employ and to ensure its Contractors employ Local Residents, minorities, and women in all aspects of the design, development, and Construction of the Project except for Specialized Services. These efforts shall include but not be limited to:

i. advertising in appropriate publications describing the work available, pay scales, and application procedures and maintaining a log or copies of these ads showing the date of publication and identifying the publication;

ii. working with local community organizations, minority and women's community organizations, and other appropriate organizations to seek qualified Local Residents, minorities, and women (a list of these organizations may be provided by the UG upon request); and

iii. working with the UG to promote diversity and inclusion in all aspects of the Project.

Documentation of these and any other steps taken shall be submitted to the UG prior to the beginning of the bidding process.

b. Employment Procedures. Developer and its Contractors shall implement equal employment opportunity hiring and job action procedures as those terms are commonly understood.

B. DEVELOPMENT AND CONSTRUCTION UTILIZATION PLANS.

1. Submissions, Content, and Fulfillment of Project Utilization Plan.

a. Fourteen (14) calendar days before the solicitation of the first proposal for the Construction of part of the Project, which is issued by Developer after the execution of the Agreement, Developer will submit a Project Utilization Plan to the UG for review and approval. The Project Utilization Plan shall be on the form attached to this Exhibit as Attachment A or on another form provided or approved by the UG. This Project Utilization Plan shall set forth, to the best of Developer's knowledge: all categories of work that will be covered within solicitations that Developer or its Contractors intend to issue for all Construction providers necessary for the Construction of the Project; an estimate of the dollar value of all work covered by these solicitations; an estimate of the dollar value of work within each identified work category; the dollar value of the work for each identified work category that is projected to be performed by LBEs, MBEs and WBEs; any known potential joint ventures with LBEs, MBEs, and WBEs within each identified work category; an overall schedule of all work projected to be performed related to the design, development, and Construction of the Project, laid out sequentially over time; and the actions Developer intends to take, with respect to each of these solicitations, to make its Best Efforts to meet the goals set forth in Section III.A.1. of this Exhibit.

b. Developer, in the Project Utilization Plan, shall designate one person as the Project Manager to serve as the point of contact with the UG on all matters related to the Project Utilization Plan. Developer shall provide the Project Manager's name, physical office address, e-mail address, and phone number to the UG. The Project Manager shall be an individual with administrative authority with regard to enforcement of the stipulations located within this Exhibit.

c. The goals of Section III.A.1 may be met by the expenditure of dollars with approved LBE/MBE/WBE prime Contractors, material suppliers (either by Developer or a prime Contractor), subcontractors (either by Developer or a prime Contractor), or through joint ventures with approved LBEs, MBEs or WBEs.

i. Certified MBE and WBE prime Contractor Proposers may count their own participation toward a goal for which they qualify, but may not divide their own participation between two goals. These prime Contractor Proposers shall receive credit towards the goals for the dollar value of the contract.

ii. Approved or certified LBE/MBE/WBE material suppliers, regular dealers, and manufacturers shall be credited towards the goals for the dollar value of the contract.

iii. A joint venture involving an approved LBE/MBE/WBE as a partner may be counted towards the applicable goal only to the extent of the dollar amount that the approved LBE/MBE/WBE is responsible for and at risk, except, however, if the LBE/MBE/WBE is the majority partner in the joint venture, the entire joint venture contract amount shall be counted, less any work subcontracted to the non-LBE/MBE/WBE joint venture partner. To receive credit, the approved LBE/MBE/WBE must be responsible for a clearly defined portion of the work, profits, risks, assets, and liabilities of the joint venture.

iv. Participation by a certified MBE owned by a minority woman may be counted as MBE participation or as WBE participation; however, this participation cannot be double-counted. A certified MBE or WBE may also be counted towards the LBE goal, if qualified as LBE. The amount of participation by these businesses may be divided between the MBE or the WBE goals. A qualified LBE that is certified as MBE and WBE shall be counted toward the LBE and the MBE or WBE goals, but shall not be counted toward both the MBE and WBE goals.

v. Only the participation of LBEs, MBEs, and WBEs that provide a commercially useful function required for the work of the specific solicitation shall be counted toward achievement of the goals. The LBE/MBE/WBE must be responsible for the execution of a distinct element of the work by actually performing, managing, or supervising its function in the work identified in the solicitation. Brokering is not credited. Purchases from LBEs, MBEs, and WBEs that constitute indirect or general overhead costs to a projected Proposer's business may not be counted toward the goals. Costs directly incurred solely to perform the work with respect to a Project contract may be counted toward the goals.

2. Evaluation of Project Utilization Plans.

a. The UG will review Developer's Project Utilization Plan respecting each category of work identified by Developer. In conducting its review, the UG shall evaluate the extent to which the actions Developer proposes to take to meet the goals constitute Best Efforts, as set forth in Section III.C.3.b. below. In no event shall Developer or any of its Contractors be required to engage any LBE/MBE/WBE that is not the low bidder or is not qualified or capable of performing the work to acceptable standards in the reasonable discretion of Developer.

b. No changes to the Project Utilization Plan are permitted after its submission to the UG without the prior submission of the proposed change to the UG and receipt of the UG's written approval, which shall not be unreasonably withheld or delayed.

C. CONTRACT AWARD COMPLIANCE PROCEDURES.

1. Solicitation Documents.

The solicitation documents for each contract for which goals are established shall contain a description of the requirements set forth in this Exhibit; the LBE/MBE/WBE goals; and the areas of projected subcontracting. Five (5) calendar days before the issuance of each solicitation, Developer shall submit the solicitation documents and the bid list to the UG. This submittal is mandatory for each bid subject to LBE/MBE/WBE goals.

2. Developer's Report of Solicitation Results.

Within seven (7) working days after the date set for receipt of proposals by each solicitation issued for Developer for the Construction of the Project, the Project Manager shall submit to the UG, on a form provided or approved by the UG, a Report of Solicitation Results (the "Report") fully describing all proposals received in response to the solicitation. The Report shall: (1) state the estimated total dollar value of the work covered by the solicitation; (2) state the names of all Proposers; (3) state the total dollar value of work covered by proposals submitted by approved LBEs, MBEs, and/or WBEs; (4) provide all relevant information concerning each joint

venture Proposer; and (5) state the name of all subcontractors to Proposers (to the extent then available) that are approved LBEs, MBEs, and/or WBEs, and the dollar value of work covered by proposed subcontracts between Proposers and LBEs, MBEs and/or WBEs. The Report shall also indicate to which of the Proposers, including joint venture Proposers, the Developer or any of its Contractors is intending to award contracts resulting from the solicitation. In addition, with respect to any LBE/MBE/WBE goal established in the Project Utilization Plan that it appears from the proposals received will not be met, Developer shall include in the Report a precise description of all Best Efforts it has undertaken or caused to be undertaken to meet the established goals. These submittals are mandatory for all solicitations subject to LBE/MBE/WBE goals.

3. UG Review of Developer's Report of Solicitation Results.

a. Within seven (7) calendar days of receiving a Report for review, the UG, based on its review of the Report, shall advise Developer whether it appears that, in light of Developer's indication of the Proposers to whom it intends to award contracts, Developer will meet the goals set forth in the Project Utilization Plan or if not, whether Developer has established Best Efforts to meet these goals, and shall state the reasons for this conclusion, referring to the specific Best Efforts criteria contained in Section III.C.3.b. below. As a part of its review, the UG may ascertain whether LBE/MBE/WBE subcontractors agree with the dollar value of the work and the scope of the work, as identified in the proposal.

b. For each Project Utilization Plan goal that is not achieved, Developer shall be deemed to have used Best Efforts to meet the Project Utilization Plan goals for Construction set forth in Section III.A.1. of this Exhibit if Developer shall have taken substantially all the following actions:

i. Developer is seeking or has sought timely assistance of the UG to identify qualified LBEs, MBEs, and WBEs;

ii. Developer is advertising or has advertised contract opportunities in local, minority, and women media;

iii. Developer is providing or has provided reasonable written notice of opportunities and informational meetings to approved LBEs, MBEs, and WBEs;

iv. Developer is following up or has followed up initial solicitations of interest by contacting LBEs, MBEs, and WBEs;

v. Developer is segmenting or has segmented portions of the work to increase the likelihood of LBE/MBE/WBE participation, where feasible;

vi. Developer is providing or has provided interested LBEs, MBEs, and WBEs with timely and accurate information about the plans, specifications, requirements, deadlines, and bidding procedures of the contracts;

vii. Developer is negotiating or has negotiated in good faith with interested LBEs, MBEs, and WBEs, not rejecting them as unqualified without sound reasons, based on a thorough review of their capabilities and prior work histories;

viii. Developer is seeking or has sought to educate and assist LBEs, MBEs, and WBEs in obtaining bonding, lines of credit, or insurance required to perform the contract; and

ix. Developer is working or has worked with local, minority, and women contracting, professional, civic, and community organizations, government officers, and any other organization or persons, as identified by the UG, that provide assistance in the recruitment of LBEs, MBEs and WBEs.

Failure by the Developer to take all of the foregoing actions shall not be determinative that Developer has not used its Best Efforts.

4. Signed Contracts.

Within twenty-one (21) working days of provision of the UG's evaluation of the Report to Developer, the Project Manager shall submit signed contracts with successful Proposers to the UG. This submittal must be made before any contracts are awarded.

D. SUBCONTRACTOR RELATIONS.

1. Documentation of Subcontracting Agreements.

All subcontracting services shall be evidenced by a written agreement stating, at a minimum, the scope of work to be performed and the amount to be paid for performance of the work. Unit price subcontracts are acceptable if appropriate to the type of work being performed.

2. Documentation of Schedules.

For Construction contracts, the Contractor must present a work schedule that includes when the LBE/MBE/WBE subcontractors will be utilized at the job site. This schedule is due on or before the submission of signed contracts to the UG.

3. Substitutions, Additions, or Deletions.

Where a substitution for a LBE/MBE/WBE subcontractor must occur after submission of proposals by the Project Manager to the UG, the Project Manager must submit the proposed change or substitution to the UG for review. The UG shall have no authority to approve or reject any change or substitution. The sole purpose of the review by the UG shall be to determine whether the LBE/MBE/WBE should be counted toward achievement of the goals of Section III.A.1.

IV. UG'S ASSISTANCE TO DEVELOPER

The UG shall use its best efforts to provide assistance to Developer in fulfilling its obligations as set forth in this Exhibit. Developer assumes all responsibility for its Best Efforts in meeting the goals and complying with the procedures and processes set forth herein. The UG assumes no duty or responsibility to the Developer with respect to Developer's fulfillment of the goals set forth in this Exhibit by reason of the provision of assistance to Developer. Examples of assistance the UG may provide include but are not limited to:

- A. providing information and technical assistance regarding the Project to Developer and its agents, including Contractors, subcontractors, LBEs, MBEs, WBEs, officials, and other interested persons;
- B. developing and maintaining a registry of approved LBE/MBE/WBE businesses;
- C. assisting with identifying potential LBEs, MBEs, and WBEs and reviewing their qualifications to participate in the Project;
- D. updating Developer and its agents on current or proposed affirmative action legislation that may affect the Project;
- E. recommending contract specific goals, as appropriate;
- F. providing assistance in pre-award activities, such as provision of model or example Project Utilization Plans and work segmentation;
- G. reviewing Developer, Contractor, and subcontractor performance and LBE/MBE/WBE participation on the Project;
- H. providing advice relative to utilization and compliance matters;
- I. conducting compliance reviews and audits of LBE/MBE/WBE participation;
- J. evaluating requests for substitutions, additions, and deletions;
- K. assisting Developer and its agents in addressing issues related to the goals and procedures set forth in this Exhibit;
- L. reviewing payments to subcontractors, as documented by monthly reports submitted by Developer;
- M. reviewing complaints from LBEs, MBEs WBEs, Contractors, subcontractors, and any other interested persons regarding these goals and procedures;
- N. assisting in Developer's development of forms to document compliance with these procedures; and
- O. reviewing and approving utilization plans and contract award submittals.

V. DEVELOPER COMPLIANCE RECORDS AND REPORTS.

- A. **Records.** Developer shall maintain those records as may reasonably be required to demonstrate compliance with the goals and procedures set forth in this Exhibit. These records shall be available to the UG upon reasonable notice.
- B. **Development and Construction Utilization Plan Reports.** Developer shall update the Project Utilization Plan quarterly on the form attached hereto as Attachment B or another form provided or approved by the UG and shall include information requested thereon. In addition, each quarterly report shall include the following for each LBE, MBE or WBE whose participation is utilized by Developer to be applied to the goals set forth herein: business name and address of each LBE, MBE and WBE and a

brief description of the work to be performed by each. Developer also shall document the change orders to contracts awarded in each quarterly report.

VII. DEVELOPER COMPLIANCE RECORDS AND REPORTS.

A. RECORDS.

Developer shall maintain those records as may reasonably be required to demonstrate compliance with the goals and procedures set forth in this Exhibit. These records shall be available to the UG upon reasonable notice.

B. PROJECT UTILIZATION PLAN REPORTS.

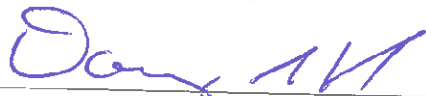
Developer shall provide UG with information sufficient to document the participation under this Exhibit, including monthly compliance reports on the forms attached hereto as Attachments B and C or another form provided or approved by the UG. In addition, each monthly report shall include the following for each LBE/MBE/WBE whose participation is utilized by Developer to be applied to the goals set forth herein: business name and address of each LBE/MBE/WBE; and a brief description of the work to be performed by each. Developer also shall document the change orders to contracts awarded in each monthly report.

C. REMEDIES.

Subject to the provisions of Section 9.1 of the Agreement, if Developer should fail to provide a Report required by this Exhibit, and fail to cure such failure within fourteen (14) days after receipt of written notice from the UG, then such failure to cure shall constitute an event of default and the UG shall have those remedies set forth in Section 9.2 of the Agreement. In addition, the UG shall have the right to stop processing draw requests until Developer complies with reporting requirements.

If, after reviewing Developer's Reports, UG believes that the Best Efforts described herein have not been met, then the UG shall inform Developer of this determination in writing. Remedies shall be available as set forth in the Agreement. In addition, the West Lawn CID Cap shall be automatically reduced by an amount equal to \$450,000.

**UNIFIED GOVERNMENT OF WYANDOTTE
COUNTY/KANSAS CITY, KANSAS**

By: 
Douglas G. Bach
County Administrator
Date: February 22, 2018

IN WITNESS WHEREOF, the parties hereto have executed these presents as of the day and year first above written.

DEVELOPER:

W-LD LEGENDS OWNER VII, L.L.C.,

a Delaware limited liability company

By: W-LD Legends Holdings VII, L.L.C.,
a Delaware limited liability company,
its Sole Member

By: W-LD Legends Investors VII, L.L.C.,
a Delaware limited liability company,
its Authorized Member

By: Walton Acquisition REOC Holdings VII, L.L.C.,
a Delaware limited liability company,
its Sole Member

By: Walton Street Real Estate Fund VII-Q, L.P.,
a Delaware limited partnership,
its Managing Member

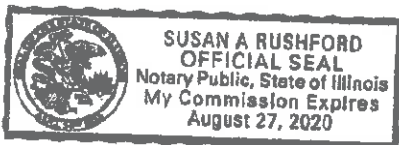
By: Walton Street Managers VII, L.P.,
a Delaware limited partnership,
its General Partner

By: WSC Managers VII, Inc.,
a Delaware corporation,
its General Partner

By: [Signature]
Name: Robby Schwindt
Title: Vice President

STATE OF Illinois)
COUNTY OF Cook) SS.

This instrument was acknowledged before me on January 2, 2018 by W-LD LEGENDS OWNER VII, L.L.C., a Delaware limited liability company.



My commission expires:

8/27/2020

[Signature]
Printed Name: Susan A. Rushford
Notary Public in and for said State
Commissioned in Cook County

Attachment A
Unified Government
Project Utilization Plan

Date: _____

Project Name: _____

Bid Package	Estimated Contract Value	Estimated LBE Value	Estimate d LBE %	Estimated MBE Value	Estimate d MBE %	Estimated WBE Value	Estimate d WBE %	Total Combine d Value	Total Combined %
DIVERSITY TOTAL	0			0	#DIV/0!	0	#REF!		

LBE/MBE/WBE - UTILIZATION REPORT
CONSTRUCTION

APPLICABLE TRADES

[illegible]

Attachment C

LBE/MBE/WBE COMPLIANCE

**SUMMARY REPORT
EXPENDITURES FOR REPORTING PERIOD**

GOODS, SUPPLIES, and OTHER SERVICES	Total	Class	Percent	Comments
Total \$ Awarded				
Total \$ Expended				
Total \$ MBE		% MBE		
Total \$ WBE		%WBE		
Total \$ M/WBE		%M/WBE		

MINORITY AND WOMEN EMPLOYEES

List the name, address, trade, classification, date hired, sex and ethnic origin for each minority/women employed by your company.

Name & Address	Trade	Classification	Date Hired	Sex	Ethnic Origin

EXHIBIT J

[Reserved]

EXHIBIT K

Form of Collateral Assignment

ABSOLUTE ASSIGNMENT OF CID REVENUES

THIS "ASSIGNMENT" is entered into and effective as of _____, 201__ (the "**Effective Date**"), by and between **W-LD LEGENDS OWNER VII, L.L.C.**, a Delaware limited liability company, whose address for notice purposes is 4717 Central Avenue, Kansas City, Missouri 64112, Attn: Dan Lowe (with a copy to Dentons US LLP, 4520 Main Street, Suite 1100, Kansas City, Missouri 64111, Attn.: John L. Snyder, Esq.) ("**Borrower**"), and **THE UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS** (the "**UG**") whose address for notice purposes is 701 N. 7th Street, Room 323, Kansas City, Kansas 66101, Attn: Unified Government Clerk (with a copy to the County Administrator and Chief Counsel at the same address and to Stinson Morrison Hecker LLP, 1201 Walnut, Suite 2600, Kansas City, Missouri 64106, Attn: Todd A. LaSala, Esq.) in favor of _____, whose address for notice purposes is _____, Attn: _____ (with a copy to _____) ("**Lender**").

RECITALS

The following recitals are a material part of this Agreement:

A. Borrower and the UG entered into that certain Development Agreement dated as of _____, 2017 (the "**Development agreement**"), whereby the UG agreed to assist the Borrower with financing the parking structure, sidewalks, signage and certain other costs in connection with Borrower's construction of a new first-class luxury apartment building (the "**Project**"), which shall be developed and located in Kansas City, Wyandotte County, Kansas on property described on **Exhibit A** attached hereto and incorporated herein (the "**Property**"); and

B. In connection with the Project and pursuant to K.S.A. 12-6a26 *et. seq.* (the "**CID Act**"), the UG has heretofore created the 2105 Village West Community Improvement District (the "**CID**") and will levy and impose a community improvement district sales tax in the amount of 0.60% (the "**CID Sales Tax**") and disburse said CID Sales Tax proceeds to the Borrower to pay for costs incurred in constructing the Project, as contemplated in the Development agreement and in accordance with the CID Act; and

C. In order to induce Lender to extend certain financing for the Project pursuant to a Loan Agreement dated _____, 201__ between Borrower (as "Borrower") and Lender (as "Lender") (the "**Loan Agreement**"), Borrower has agreed to and by these presents does hereby execute this Assignment and hereby makes an absolute assignment of Borrower's right, title, interest in and to the CID Sales Tax becoming due under the Development agreement to Lender ("**CID Revenue**"); and

D. Pursuant to the Loan Agreement, Borrower has executed, or will execute a certain Note in the original total principal amount of \$_____ in favor of Lender (the "**Note**") secured by a Mortgage on the Property (the "**Mortgage**") and other security and collateral assignment documents executed as additional security for the Note described in the Loan Agreement (the "**Loan Documents**"); and

E. Lender has required that Borrower: (i) grant Lender the right to receive and control such CID Revenue that Borrower is entitled to receive under the Development Agreement in accordance with the CID Act, in an amount up to and including the principal, interest and costs described in the Loan Documents upon disbursement of such CID Revenue by the UG; (ii) take such steps as may be reasonably necessary to evidence and perfect the assignment of (and security interest in) such CID Revenue to Lender in applicable public records; and (iii) direct the UG to forward all CID Revenue to the account described in Section 2 hereof for application to amounts due and owing under the Loan Documents.

NOW, THEREFORE, for and in consideration of the mutual covenants herein contained, the Borrower and the UG agree as follows:

AGREEMENT

1. **Absolute Assignment.** Borrower hereby unconditionally and absolutely: (a) grants, sells, assigns, transfers, conveys and sets over and delivers unto Lender (and grants Lender a security interest in) Borrower's right, title and interest in and to the CID Revenue and all or any portion thereof and all accounts, contract rights, general intangibles and/or proceeds arising from such CID Revenue or any portion thereof that Borrower is entitled to receive under the Development agreement in a total amount equaling the principal, interest and costs described in the Loan Documents; (b) grants to Lender the right to receive and control such CID Revenue and all profits and income related thereto in order to satisfy Borrower's obligations to Lender pursuant to the Loan Documents; and (c) agrees that all of the foregoing sums shall be paid to an account established with Lender upon disbursement by the UG, in accordance with the Development Agreement, to the Borrower at and under the sole control of Lender and shall thereafter be forwarded to Lender for the purposes and in accordance with the terms and provisions provided in this Agreement. Notwithstanding the foregoing, the Lender hereby understands and agrees that (x) the CID Revenue is required to be used for payment or reimbursement of "Project Costs" as defined set forth in the Development Agreement and the CID Act, and accordingly and (y) Lender's application of any such CID Revenue toward the Note or other obligations under the Loan Documents shall be limited and restricted to the extent that Lender's loan proceeds were used to pay Project Costs pursuant to the Development Agreement and the CID Act.

2. **Payment by the UG.** By its execution and delivery of this Agreement to the Lender, the Borrower hereby authorizes and directs the UG to pay all CID Revenue that Borrower is entitled to receive under the Development agreement and the CID Act, up to a total amount equaling the principal, interest and costs described in the Note and Loan Documents, to an account established with Lender, at _____ Bank, _____, Attn: _____ bearing Account Number _____ (the "CID Account"). The UG acknowledges the direction and assignment of the CID Revenue from Borrower to Lender and agrees to pay all CID Revenue to the CID Account as set forth herein.

From and after the Effective Date and so long as no Event of Default has occurred under the Loan Documents, Borrower shall have the right to utilize said funds on deposit in the CID Account with Lender for purposes of paying or reimbursing Project Costs as described in the CID Act and required by the Development agreement. Notwithstanding the foregoing, if an Event of Default occurs under the Loan Documents at any time after the Effective Date, the Lender shall have the absolute ability to utilize funds on deposit in the CID Account with Lender towards the application of the Note, subject always to the terms set forth in Section 1(x) and (y) above.

Such direct payment by the UG of the CID Revenue to the CID Account acts as additional security and provides application to the Note. Such direct payment of the CID Revenue due from time to time shall discharge the UG's obligations under the Development Agreement to the extent such payments are made and the UG shall have no further liability to the Borrower for the amount of such sums so paid directly to CID Account for application to amounts due and owing under the Loan Documents.

Borrower hereby irrevocably appoints Lender its attorney-in-fact, which appointment shall be deemed to be coupled with an interest solely, to make demand upon the UG for collection of CID Revenue due under said Development agreement and in accordance with the CID Act from time to time, up to an amount equaling the principal, interest and costs described in the Loan Documents, and to receive and make payment directly to Lender for additional security and application to the Note the same pursuant to and in accordance with the terms and provisions of this Agreement, the Loan Documents and the Note.

Upon payment in full of Borrower's indebtedness to the Lender as evidenced by the Loan Documents, this Agreement shall terminate and Lender shall notify the UG of such payment in full. Upon such payment in full, the CID Revenue shall be deemed to be reassigned to the Borrower and the UG shall pay all future CID Revenue the Borrower is entitled to receive under the Development Agreement to or at the direction of the Borrower.

3. Intentionally omitted.

4. Power of Attorney. Borrower hereby irrevocably designates, makes, constitutes and appoints Lender (and all persons and entities designated by Lender), as Borrower's attorney-in-fact, which appointment is deemed to be coupled with an interest subject to the provisions stated herein, with power, without notice to Borrower and at such time or times thereafter as Lender in its sole and absolute discretion may determine, in Borrower's or Lender's name:

(a) to open all envelopes and mail (whether addressed to Borrower and/or Lender) and process all money, checks, and other negotiable instruments received from the UG as all or part of the CID Revenue or other income resulting from Borrower's ownership and/or interest in such CID Revenue or any portion thereof and crediting the same in accordance with the procedures established from time to time by Lender and Borrower;

(b) to take control, in any manner, of any of the money described above;

(c) to do all other acts and things deemed necessary by Lender in its sole and absolute discretion to fulfill Borrower's obligations under this Agreement; and

(d) upon the occurrence of an Event of Default under the Loan Agreement, to make, execute, complete and deliver to the UG all reimbursement requests and such other documents as Lender shall consider necessary or appropriate to obtain reimbursement from the UG pursuant to the Development agreement and in accordance with the CID Act; to comply with all obligations of Borrower under the Development Agreement as Lender shall consider necessary or appropriate under the Development Agreement and generally do, execute and perform any other act, matter, or thing whatsoever that in the opinion of Lender ought to be done, executed or performed in connection with the reimbursement requests from the UG pursuant to the Development Agreement.

5. Disbursement Arrangements. All funds received by Lender from the UG pursuant to this Agreement shall be for the purpose set forth in Section 2 and thereafter applied under the terms of the Loan Documents.

6. Delivery of Documentation. Borrower shall promptly provide Lender with such information as Lender may reasonably request from time to time in order for Lender to verify the proper application of the CID Revenue and all interest and other income and the application of such amounts in accordance with the terms and provisions of this Agreement, the Development agreement, the Loan Documents and the CID Act.

7. Obligations Secured. The CID Revenue and all interest and other income therefrom or any portion thereof, and the account balance generated from time to time by deposit thereof, shall provide security for any and all indebtedness, liabilities and obligations of Borrower to Lender.

8. Modification of Terms. By execution of this Agreement, all Loan Documents are deemed modified in all respects necessary to implement the terms and provisions of this Agreement. In all other respects, all Loan Documents shall remain in full force and effect as originally written. To the extent that any term or provision of this Agreement, is held or deemed to be inconsistent with any term or provision of any Loan Document, this Agreement shall control.

9. Further Documents, Etc. Borrower shall execute any and all further documents and instruments at any time reasonably required by Lender to provide record notice of this Agreement and the amendments to the Loan Documents, to create, perfect and/or modify the absolute assignment or the liens and security interests granted to Lender under this Agreement in accordance with this Agreement and/or to give effect to the terms and provisions under this Agreement and all Loan Documents.

10. Limitation on the UG and Lender Obligations. Any other term or provision in this Agreement or in any Loan Document or elsewhere to the contrary notwithstanding, the parties hereto acknowledge:

(a) Any and all obligations (including without limitation, fees, claims, demands, payments, damages, liabilities, penalties, assessments and the like) of or imposed upon the UG or its members, officers, agents, employees, representatives, advisors or assigns, whether under this Agreement or any other Loan Document or elsewhere and whether arising out of or based upon a claim or claims of tort, contract, misrepresentation, or any other additional legal theory or theories whatsoever (collectively, the "**UG Obligations**"), shall in all events be absolutely limited obligations and liabilities, payable solely by the Borrower.

(b) The UG Obligations shall not be deemed to constitute a debt or liability of the UG or the State of Kansas or of any political subdivision thereof within the meaning of any state constitutional provision or statutory limitation and shall not constitute a pledge of the full faith and credit of the UG or the State of Kansas or of any political subdivision thereof, but shall be payable solely by the Borrower and shall otherwise impose no liability whatsoever, primary or otherwise, upon the UG or the State of Kansas or of any political subdivision thereof or any charge upon the general credit or taxing power.

(c) In no event shall any member, officer, agent, employee, representative or advisor of the UG, or any successor or assign of any such person or entity, be liable, personally or otherwise, for payment of the CID Revenue or any UG Obligations.

(d) In no event shall this Agreement be construed as:

(i) depriving the UG, of any right or privilege; or

(ii) requiring the UG or any member, officer, agent, employee, representative or advisor of the UG to take or omit to take, or to permit or suffer the taking of, any action by itself or by anyone else, which deprivation or requirement would violate or result in the UG being in violation of the CID Act, or any other applicable state or federal law.

It is further recognized and agreed that Lender, by entering into this Agreement and receiving Borrower's CID Revenue under the Development Agreement, is not in any way assuming or agreeing to perform any of Borrower's obligations under the Development agreement or with respect to the Project.

11. Default and Remedies. Unless performance is waived by the party for whose benefit a condition or obligation is intended, if any party to this Agreement fails to satisfy its obligations under this Agreement, and if, within 30 days' notice of such default by the non-defaulting party to the defaulting party, the defaulting party shall not have cured such default or commenced such cure and be diligently pursuing the same if such cure would reasonably take longer than said 30-day period (but in any event if the defaulting party shall not have cured such default within 45 days), the non-defaulting party or parties may, then or at any time thereafter, and while such default continues, take any one or more of the following actions:

(a) by mandamus or other suit, action or proceedings at law or in equity, to enforce its or their rights against the defaulting party and their officers, agents and employees, and to require and compel duties and obligations required by the provisions of this Agreement; or

(b) take any other action at law or in equity to enforce this Agreement.

For purposes of this Section 11, the term "defaulting party" shall be deemed to exclude the UG.

12. Rights and Remedies Cumulative. The rights and remedies reserved by the parties and those provided by law shall be construed as cumulative and continuing rights. No one of them shall be exhausted by the exercise thereof on one or more occasions. The parties shall each be entitled to specific performance and injunctive or other equitable relief for any breach or threatened breach of any of the provisions of this Agreement, notwithstanding availability of an adequate remedy at law, and each party hereby waives the right to raise such defense in any proceeding in equity.

13. Waiver of Breach. No waiver of any breach of any covenant or agreement herein contained shall operate as a waiver of any subsequent breach of the same covenant or agreement or as a waiver of any breach of any other covenant or agreement.

14. Severability. If any provision of this Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

15. Execution and Counterparts. This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

16. Amendments. This Agreement shall not be amended except by written agreement of the Borrower, the UG and the Lender.

17. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Kansas.

18. Power of the UG. Notwithstanding anything set forth herein to the contrary, no provision contained herein shall in any manner diminish or usurp the inherent rights and powers of the UG to act in its capacity as a public body. Further nothing herein shall be deemed to modify the terms and conditions of the Development Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this instrument as of the date first above written.

BORROWER:

W-LD LEGENDS OWNER VII, L.L.C.

By: _____
Name: _____
Title: _____

STATE OF _____)
COUNTY OF _____) ss.

On this ____ day of _____, 2017, before me, a Notary Public in and for said State, personally appeared _____, _____ of **W-LD LEGENDS OWNER VII, L.L.C.**, a Kansas limited liability company, who is personally known to me to be the same person who executed, as such official, the within instrument on behalf of said limited liability company and such person duly acknowledged to me that he executed the same for the purposes therein stated, and that the execution of the same was the free act and deed of said limited liability company.

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

My Commission Expires:

Notary Public

**THE UNIFIED GOVERNMENT OF WYANDOTTE
COUNTY/KANSAS CITY, KANSAS**

By: _____
Name: Doug Bach
Title: County Administrator

STATE OF KANSAS)
COUNTY OF WYANDOTTE) ss.

On this ____ day of _____, 2017, before me, a Notary Public in and for said State, personally appeared Doug Bach, County Administrator of The Unified Government of Wyandotte County/Kansas City, Kansas, who is personally known to me to be the same person who executed, as such official, the within instrument on behalf of said municipality and such person duly acknowledged to me that he executed the same for the purposes therein stated, and that the execution of the same was the free act and deed of said municipality.

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

My Commission Expires:

Notary Public

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