Gilmore & Bell, P.C.
DRAFT: May 21, 2026
Tax Agreement

TAX COMPLIANCE AGREEMENT

Dated as of [CLOSING MONTH] 1, 2026

among the

LAND CLEARANCE FOR REDEVELOPMENT AUTHORITY OF KANSAS CITY, MISSOURI,
as Issuer

38 EUCLID, LLC,
as Borrower

and

UMB BANK, N.A.,
as Trustee

relating to

$[PRINCIPAL AMOUNT] Maximum Principal Amount
Multifamily Housing Revenue Bonds
(Urban 38 Project)
Series 2026

of the

Land Clearance for Redevelopment Authority of Kansas City, Missouri

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TAX COMPLIANCE AGREEMENT

THIS TAX COMPLIANCE AGREEMENT (this "**Tax Agreement**"), entered into as of [CLOSING MONTH] 1, 2026, among the **LAND CLEARANCE FOR REDEVELOPMENT AUTHORITY OF KANSAS CITY, MISSOURI**, a public body corporate and politic organized and existing under the laws of the state of Missouri (the "**Issuer**"), **38 EUCLID, LLC**, a Missouri limited liability company, and its successors and assigns (the "**Borrower**"), and **[UMB BANK, N.A.]**, a [national banking association], as trustee (the "**Trustee**").

RECITALS

1. This Tax Agreement is being executed and delivered in connection with the issuance by the Issuer of its Multifamily Housing Revenue Bonds (Urban 38 Project) Series 2026 in the maximum principal amount of $[PRINCIPAL AMOUNT] (the "**Bonds**"). The Bonds are being issued under the Trust Indenture dated as of [CLOSING MONTH] 1, 2026 (the "**Indenture**"), between the Issuer and the Trustee, for the purpose of making a loan of the Bond proceeds to the Borrower under the Loan Agreement, dated as of [CLOSING MONTH] 1, 2026 (the "**Loan Agreement**") between the Issuer and the Borrower, to provide funds for certain purposes as described in this Tax Agreement, the Indenture, and the Loan Agreement.

2. In order to preserve the exclusion of interest on the Bonds from gross income for federal income tax purposes, the Issuer, the Borrower and the Trustee will comply with certain provisions of the Internal Revenue Code of 1986, as amended (the "**Code**"), and the applicable regulations and rulings issued by the U.S. Treasury Department (the "**Regulations**"), regarding the uses and investment of the Bond proceeds and certain other money relating to the Bonds.

3. The Issuer, the Borrower and the Trustee are entering into this Tax Agreement in order to set forth certain representations, facts, expectations, terms and conditions relating to the use and investment of the Bond proceeds and of certain related money, in order to establish and maintain the exclusion of interest on the Bonds from gross income for federal income tax purposes, and to provide guidance for complying with the arbitrage rebate provisions of Code § 148(f).

4. The Issuer adopted a Post Issuance Tax Compliance Policy and Procedures on December 20, 2017 (the "**Tax Compliance Procedure**") for the purpose of setting out general procedures for the Issuer to continuously monitor and comply with the federal income tax requirements set out in the Code and the Regulations.

5. This Tax Agreement is entered into as required by the Tax Compliance Procedure to set out specific tax compliance procedures applicable to the Bonds.

AGREEMENT

ARTICLE I

DEFINITIONS

Section 1.1. Definitions of Words and Terms. Except as otherwise provided in this Tax Agreement or unless the context otherwise requires, capitalized words and terms used here have the same meanings as set forth in Section 101 of the Indenture and Section 1.01 of the Loan Agreement; and certain other words and phrases have the meanings assigned in Code § 148 and the Regulations. In addition to the words and phrases defined in the Loan Agreement, the Indenture and in the **Recitals** to this Tax Agreement, the following capitalized terms are defined:

"**Bona Fide Debt Service Fund**" means a fund, which may include Bond proceeds, that—

(i) is used primarily to achieve a proper matching of revenues with principal and interest payments on the Bonds within each Bond Year; and

(ii) is depleted at least once each Bond Year, except for a reasonable carryover amount not to exceed the greater of (a) the earnings on the fund for the immediately preceding Bond Year, or (b) one-twelfth of the principal and interest payments on the Bonds for the immediately preceding Bond Year.

"**Bond Compliance Officer**" means the Executive Director of the Issuer or other person named by the Issuer in accordance with the Tax Compliance Procedure.

"**Bond Counsel**" means Gilmore & Bell, P.C., or other firm of nationally recognized bond counsel acceptable to the Issuer and the Borrower.

"**Bond Fund**" means the Bond Fund established under the Indenture.

"**Bond Year**" means each one-year period (or shorter period for the first Bond Year) ending December 1.

"**Borrower Bond Compliance Officer**" means [______], or any successor person appointed by the Managing Member to act as Borrower Bond Compliance Officer, with written notice to the Issuer and the Bond Compliance Officer.

"**Casualty/Condemnation Account**" means the Casualty/Condemnation Account of the Project Fund.

"**City**" means the City of Kansas City, Missouri.

"**Code**" means the Internal Revenue Code of 1986, as amended.

"**Company Reserve Accounts**" means, collectively, the [Reserve Account] established under the Operating Agreement.

"**Computation Date**" means each date on which arbitrage rebate and yield reduction amounts for the Bonds are computed. The Issuer or the Borrower may treat any date as a Computation Date, subject to the following limits:

(i) the first rebate installment payment must be made for a Computation Date not later than 5 years after the Issue Date;

(ii) each subsequent rebate installment payment must be made for a Computation Date not later than 5 years after the previous Computation Date for which an installment payment of rebate was made; and

(iii) the date the last Bond is discharged is the final Computation Date.

The Borrower selects [COMPUTATION DATE], as the first Computation Date but reserves the right to select a different date consistent with the Regulations.

"**Expense Fund**" means the Expense Fund established under the Indenture.

"**Final Written Allocation**" means the Final Written Allocation of expenditures prepared by the Bond Compliance Officer in accordance with the Tax Compliance Procedure and **Section 4.2** of this Tax Agreement.

"**Gross Proceeds**" means (i) sale proceeds (any amounts actually or constructively received by the Issuer from the sale of the Bonds, but excluding pre-issuance accrued interest); (ii) investment proceeds (any amounts received from investing sale proceeds, other investment proceeds, or transferred proceeds); (iii) any transferred proceeds; (iv) any amounts held in a sinking fund for the Bonds; (v) any amounts held in a pledged fund or reserve fund for the Bonds; and (vi) any other replacement proceeds. Specifically, Gross Proceeds include, but are not limited to, all amounts held in the following funds and accounts:

(1) the Project Fund;
(2) the Expense Fund (to the extent funded with sale proceeds or Investment proceeds of the Bonds);
(3) Bond Fund; and
(4) Rebate Fund (to the extent funded with sale proceeds or Investment proceeds of the Bonds).

"**Guaranteed Investment Contract**" is any Investment with specifically negotiated withdrawal or reinvestment provisions and a specifically negotiated interest rate, including any agreement to supply Investments on two or more future dates (*e.g.*, a forward supply contract).

"**Investment**" means any security, obligation, annuity contract or other investment-type property that is purchased directly with, or otherwise allocated to, Gross Proceeds. Such term does not include obligations the interest on which is excluded from federal gross income.

"**IRS**" means the United States Internal Revenue Service.

"**Issue Date**" means [CLOSING DATE].

"**Loan**" means the loan of Bond proceeds by the Issuer to the Borrower under the Loan Agreement.

"**Minor Portion**" means $100,000.

"**Net Proceeds**" means (i) any amounts actually or constructively received from the sale of the Bonds, less (ii) pre-issuance accrued interest, less (iii) amounts deposited in a reasonably required reserve or replacement fund, plus (iv) investment earnings on such amounts.

"**Operating Agreement**" means the Amended and Restated Operating Agreement of 38 Euclid, LLC, dated as of [CLOSING MONTH] 1, 2026, among the Managing Member, the Federal Investor Member, the State Investor Member and Red Stone Equity Manager, LLC, a Delaware limited liability company, as amended, modified, supplemented or restated from time to time, or any agreement entered into in substitution.

“**Post-Issuance Tax Requirements**” means those requirements related to the use of proceeds of the Bonds, the use of the Project and the investment of Gross Proceeds after the Issue Date of the Bonds.

“**Project**” means all property acquired, constructed, rehabilitated, installed, or improved with proceeds of the Bonds, as described in **Exhibit A**.

“**Project Fund**” means the Project Fund established under the Indenture.

“**Purchaser**” means UMB Bank, N.A., a [national banking association], and its successors and assigns.

“**Reasonable Retainage**” means Gross Proceeds retained by the Borrower for reasonable business purposes, such as to ensure or promote compliance with a construction contract; *provided* that such amount may not exceed, for purposes of the 18-month spending test, 5% of Net Proceeds of the Bonds on the date 18 months after the Issue Date.

“**Rebate Analyst**” means [Gilmore & Bell, P.C.], or such other person or firm selected by the Borrower, and acceptable to the Majority Owner, to compute arbitrage rebate.

“**Rebate Fund**” means the Rebate Fund established under the Indenture.

“**Regulations**” means all regulations issued by the U.S. Treasury Department to implement the requirements of Code §§ 103 and 141 through 150 and applicable to the Bonds.

“**Related Person**” means the following: a person is related to another person if (i) the relationship between such persons would result in a disallowance of losses under Code §§ 267 or 707(b), or (ii) such persons are members of the same controlled group of corporations, as defined in Code § 1563(a), except that “more than 50%” must be substituted for “at least 80%” in § 1563. A Related Person to a “substantial user” that is a partnership or an S-corporation also includes each partner or shareholder of the substantial user.

“**Tax Compliance Procedure**” means the Issuer’s Post Issuance Tax Compliance Policy and Procedures dated December 20, 2017, as amended, supplemented or replaced from time to time.

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

“**Transcript**” means the Transcript of Proceedings relating to the authorization and issuance of the Bonds.

“**Yield**” means yield computed under § 1.148-4 of the Regulations with respect to the Bonds, and computed under § 1.148-5 of the Regulations with respect to an Investment.

ARTICLE II

GENERAL REPRESENTATIONS AND COVENANTS

Section 2.1. Representations and Covenants of the Issuer. The Issuer represents and covenants to the Borrower and the Trustee as follows:

(a) ***Organization and Authority.*** The Issuer (i) is a public corporation duly organized and validly existing under the laws of the State, and (ii) has lawful power and authority to issue the Bonds for the purposes set forth in the Indenture, to enter into, execute and deliver the Indenture, the Loan Agreement, the Land Use Restriction Agreement and this Tax Agreement and to carry out its obligations under such documents, and (iii) by all necessary action has been duly authorized to execute and deliver the Indenture, the Loan Agreement, the Land Use Restriction Agreement and this Tax Agreement, acting by and through its duly authorized officials.

(b) ***Tax-Exempt Status of Bonds.*** The Issuer, to the extent within its power or direction, (i) will not use any money on deposit in any fund or account maintained in connection with the Bonds, whether or not such money was derived from the sale of the Bonds, in a manner that would cause any Bond to be an "arbitrage bond" within the meaning of Code § 148, and (ii) will not otherwise use or permit the use of any Bond proceeds, directly or indirectly, in any manner, and will not take or permit to be taken any other action, that would cause interest on the Bonds to be included in gross income for federal income tax purposes.

(c) ***Private Activity Bond Volume.*** The Issuer has received from the State an allocation of Private Activity Bond Volume Cap (the "**Volume Cap**") for 2026 in the aggregate amount of $13,000,000, of which $[PRINCIPAL AMOUNT] is being used for the Bonds, effective to the end of business on [______ ____, 2026]. Therefore, the Bonds comply with the Volume Cap requirements of Code § 146. The documentation regarding the Volume Cap allocation is included in the Transcript. The Issuer is electing to apply the alternative option of § 3.01 of IRS Notice 2011-63, and the Indenture requires that all draws of Bond proceeds occur prior to the end of the third year after the year of the Issue Date. Accordingly, all $[PRINCIPAL AMOUNT] of Bonds will be treated as issued during calendar year 2026 for volume cap purposes.

(d) ***Public Hearing and Approval.*** In connection with the issuance of the Bonds, the Issuer held a public hearing, as required under Code § 147(f) regarding the proposed issuance of the Bonds and the financing of the Project, on April 23, 2026, (the "**Public Hearing**") at 300 Wyandotte Street, Suite 400, Kansas City, Missouri 64105, pursuant to notice posted and publicly available on April 15, 2026, through the hearing date, by posting on the Issuer's official website, which website is used to inform residents of the City of public meetings and events affecting such residents and their corresponding dates and times. The hearing was open to the public through a toll-free phone number, and members of the public were invited to express their views prior to or at the hearing relating to the issuance of the Bonds and the proposed use of the proceeds of the Bonds. On [____ __, 2026], the Mayor of the City, chief elected executive officer of the City, approved the issuance of the Bonds, which approval is contained in the Transcript. A Certificate Regarding Public Hearing and Notice of Such Hearing executed by the Issuer affirming publication of the notice of the hearing is attached to the Mayor's approval. Based on the foregoing, the issuance of the Bonds by the Issuer to finance the costs of the Project is approved in accordance with Section 147(f) of the Code.

(e) ***IRS Form 8038.*** A copy of IRS Form 8038 (Information Return for Tax-Exempt Private Activity Bond Issues) filed with the IRS in connection with the issuance of the Bonds as required by Code § 149(e) is contained in the Transcript.

(f) ***Registered Bonds.*** The Indenture requires that all of the Bonds will be issued and held in registered form within the meaning of Code § 149(a).

(g) ***Hedge Bonds.*** Based on the Borrower's representations, the Issuer expects that (1) at least 85% of the net sale proceeds of the Bonds will be used to carry out the governmental purpose of the Bonds within three years after the Issue Date, and (2) not more than 50% of the proceeds of the Bonds will be invested in investments having a substantially guaranteed yield for four years or more.

(h) ***Issuer Reliance on Other Parties.*** The expectations, representations and covenants of the Issuer concerning certain uses of Bond proceeds and certain other moneys described in this Tax Agreement and other matters are based in whole or in part upon representations of the Borrower and other parties set forth in this Tax Agreement or exhibits hereto. Although the Issuer has made no independent investigation of the representations of other parties including the Borrower, the Issuer is not aware of any facts or circumstances that would cause it to question the accuracy or reasonableness of any representation made in this Tax Agreement or its Exhibits.

(i) ***Compliance with Tax Requirements; Remedial Action.*** Upon written notice given by the Borrower, the Issuer, to the extent within its power and direction and at the sole expense of the Borrower, will take any action, including remedial action, if necessary, which may include the redemption or defeasance of all or a portion of the Bonds in accordance with Regulations § 1.142-2 (which action will be accompanied by an Opinion of Bond Counsel), as necessary to cause interest on the Bonds to remain excludable from gross income for federal income tax purposes.

Section 2.2. General Representations, Expectations and Covenants of the Borrower. The Borrower represents and covenants to the Issuer and the Trustee as follows:

(a) ***Organization and Authority.*** The Borrower (i) is a limited liability company duly organized, validly existing and in good standing under the laws of the State, (ii) has lawful power and authority to enter into, execute and deliver the Loan Agreement, the Land Use Restriction Agreement and this Tax Agreement and to carry out its obligations under such documents, and (iii) by all necessary company action has been duly authorized to execute and deliver the Loan Agreement, the Land Use Restriction Agreement and this Tax Agreement, acting by and through its Managing Member.

(b) ***Preservation of Tax-Exempt Status of Bonds.*** In order to maintain the exclusion of the interest on the Bonds from gross income for federal income tax purposes, the Borrower:

(i) will take whatever action, and refrain from whatever action, necessary to comply with the applicable requirements of the Code to maintain the exclusion of the interest on the Bonds from gross income for federal income tax purposes;

(ii) will not use or invest, or permit the use or investment of, any Bond proceeds, other money held under the Indenture, or other funds of the Borrower, in a manner that would violate applicable provisions of the Code; and

(iii) will not use, or permit the use of, any portion of the Project in a manner that would violate applicable provisions of the Code.

(c) ***Location and Description of Project.*** The proceeds of the Bonds are to be used to finance a portion of the costs of the acquisition and rehabilitation of the Project which consists of one or more "qualified residential rental projects" under Code § 142(d) located wholly within the City.

(d) ***Project Plans and Rehabilitation Budget; Completion.*** The description of the Project was prepared on the basis of plans and specifications for the Project (the "**Plans**"), which were prepared for and approved by the Borrower. The costs of the Project have been prepared on the basis of a rehabilitation budget for the Project (the "**Budget**"), which was prepared for and approved by the Borrower. Based on its experience in preparing plans and specifications and rehabilitation budgets for similar projects, the Borrower believes that the Project has been properly planned and budgeted, and that the proceeds of the Bonds, together with money contributed by the Borrower and expected investment earnings, as described in this Tax Agreement, will be sufficient to pay in full the costs of the Project. The Borrower has no reason to believe (i) that there will be any material changes, modifications or amendments to the Plans or the Budget prior to the completion of the rehabilitation of the Project, or (ii) that the proceeds of the sale of the Bonds will not be used in any manner other than to pay the costs of the Project or costs of issuance as described herein. The acquisition of land and existing buildings constituting a portion of the Project occurred on the Issue Date. The rehabilitation of the Project is expected to commence as soon as possible after the Issue Date and is expected to be completed by [________] (proceeds of the Bonds are expected to be fully expended on or before such date).

(e) ***Use of Bond Proceeds; Operation of Project.***

(i) 95% Requirement. At least 95% of the Net Proceeds of the Bonds will be used to finance "eligible costs" of a qualified residential rental project. For this purpose, the "**eligible costs**" means Project costs which are chargeable to the Project's capital account, or would be so chargeable, either with a proper election by the Borrower (*e.g.*, under Code § 266), or but for a proper election by the Borrower to deduct such amounts. The Borrower will operate the Project as a qualified residential rental project in compliance with Code § 142(d), the Regulations, and this Tax Agreement as long as any Bond remains outstanding. Before entering into, or modifying, any management agreement or operating agreement relating to the operation of the Project, the Borrower will first obtain an Opinion of Bond Counsel that the execution or modification of that agreement will not cause the interest on the Bonds to be included in gross income for federal income tax purposes.

(ii) Reimbursement. The Borrower understands that, for Bond proceeds used to reimburse the Borrower for costs of the Project paid before the Issue Date, such costs will constitute "eligible costs" only if the reimbursement is valid under Treas. Reg. § 1.150-2. The Borrower does not expect to use Bond proceeds to reimburse itself (or a related person) for costs incurred before the Issue Date but reserves the right to do so at a later date in accordance with the Regulations. The Borrower understands that, in general, a reimbursement is valid under Regulations § 1.150-2 only if (1) the expenditure was paid not earlier than the date the Issuer declared its "official intent" to issue the Bonds for the Project ([____]), (2) the reimbursement allocation is made not later than 3 years after the date the expenditure was paid, and (3) the reimbursement allocation is made not later than 18 months after the later of date the expenditure was paid or the date the project is placed in service

(iii) Restriction on Refinancing. For each person that was a substantial user of the Project at any time during the 5-year period before the Issue Date, or any Related Person to such substantial user, such person either (A) will not receive (directly or indirectly) 5% or more of the Bond proceeds for such person's interest in the Project, or (B) will not be a substantial user of the Project at any time during the 5-year period after the Issue Date. Substantial user has the meaning used in Code §147(a) and generally includes any non-exempt person if either (1) the gross revenue derived by that person is more than 5% of the total revenue derived by all users of the facility, or (2) the amount of area of the facility occupied by that person is more than 5% of the entire usable area of the facility.

(iv) Related Party Transactions. If any amount of Net Proceeds of the Bonds is allocated to pay or reimburse any person or entity that is a Related Person to the Borrower, no portion of such amount will include any amount that is attributable to profit or mark-up of the Borrower or any Related Person or to the payment of working capital or overhead expenses. In addition, such amount will not exceed an arm's length charge (the amount that would be charged to a person other than the Borrower) and will be paid under the same circumstances as would be by a person other than the Borrower to such affiliated person or entity. Notwithstanding the foregoing, in no event will amounts that are paid to a Related Person be treated as spent until such amounts are spent on capital expenditures by such Related Person.

(f) ***Qualified Residential Rental Project.*** The provisions of this subsection **(f)** are applicable to the Project.

(i) General Definition. A qualified residential rental project is generally a building or structure, together with any functionally related and subordinate facilities, containing one or more similarly constructed units which—

(1) are used on other than a transient basis,

(2) satisfy the low-to-moderate-income set-aside requirements of paragraph **(ii)** below,

(3) are continuously available for rental as described in paragraph **(v)** below,

(4) are available to members of the general public, and

(5) satisfy the remaining requirements of this subsection.

(ii) 40% Set-Aside for Low-to-Moderate Income Tenants. At all times during the qualified project period (defined below), 40% or more of the residential units in the Project will be occupied by individuals whose income is 60% or less of area median gross income.

(iii) Qualified Project Period. The term "qualified project period" means the period beginning on the first day on which 10% of the residential units in the Project are occupied and ending on the latest of—

(1) the date that is 15 years after the date on which 50% of the residential units in the Project are occupied,

(2) the first day on which no tax-exempt private activity bond issued with respect to the Project is outstanding, or

(3) the date on which any assistance provided with respect to the Project under Section 8 of the United States Housing Act of 1937 terminates.

(iv) Income of Individuals; Area Median Gross Income. The income of individuals and area median gross income will be determined in accordance with Code § 142, the applicable Treasury Regulations, and the Land Use Restriction Agreement.

(v) Continuously Available. Once available for occupancy, each unit in the Project will be rented or available for rental on a continuous basis during the longer of (1) the remaining term of the Bonds, or (2) the qualified project period.

(vi) Prohibited Facilities. At least 95% of the Project will contain rental units and functionally related and subordinate facilities. Hotels, motels, dormitories, fraternity and sorority houses, rooming houses, hospitals, nursing homes, sanitariums, rest homes, and trailer parks and courts for use on a transient basis are not residential rental projects. Any facility providing residences for the elderly is not a residential rental project if frequent nursing, medical, or psychiatric services are provided to residents. No such services are provided to residents of the Project.

(vii) Multiple Buildings. Proximate buildings or structures that have similarly constructed units are treated as part of the same project if the same person owns them for Federal tax purposes and if the buildings are financed pursuant to a common plan. Buildings are proximate if they are located on a single tract of land. The term "**tract**" means any parcel or parcels of land that are contiguous except for the interposition of a road, street, stream or similar property. Otherwise, parcels are contiguous if their boundaries meet at one or more points. A common plan of financing exists if, for example, all such buildings are provided by the same issue or several issues subject to a common indenture. Based on this, the Borrower represents that the Project constitutes a single "qualified residential rental project."

(viii) Functionally Related and Subordinate Facilities. Facilities that are functionally related and subordinate to residential rental projects include facilities for use by the tenants, for example, swimming pools, gymnasiums, other recreational facilities, parking areas, and other facilities which are reasonably required for the Project, for example, heating and cooling equipment, trash disposal equipment or units for resident managers or maintenance personnel.

(ix) Corporate Leases. The leasing of one or more units in the Project to a person other than a person who will occupy the unit (a "**Corporate Tenant**"), in connection with an arrangement whereby the unit will be held for residential use by such person's own employees or for sublease to any other person (a "**Corporate Lease**") will occur only under the following conditions: (1) the term of the Corporate Lease will be at least as long as the minimum lease term for units rented directly to individual tenants who will occupy the unit, (2) no single Corporate Tenant may lease more than 5% of the total residential units in the Project at one time, (3) no more than 10% of the total residential units in the Project may be subject to Corporate Leases at one time, (4) any sublease, assignment agreement, or similar arrangement where the premises are provided by the Corporate Tenant to an individual occupant will provide that the individual will occupy the unit for a period of at least 30 days, and (5) under the terms of the Corporate Lease the Corporate Tenant will provide the Borrower the identity of each occupant in the unit and the expected term of the occupancy prior to the date the occupant takes up residence in the unit.

(g) ***Allocation of Sources and Uses.*** The allocation of Bond proceeds and other sources of funds to specific uses is shown on **Exhibit A**.

(h) ***Land.*** [Less than]% of the Net Proceeds will be used (directly or indirectly) for the acquisition of land (or any interest therein), and no Bond proceeds will be used (directly or indirectly) for the acquisition of land (or an interest therein) to be used for farming purposes.

(i) ***Acquisition of Existing Property/Rehabilitation Requirements.*** Bond proceeds will be used to acquire existing facilities, as follows:

(1) Acquisition. Bond proceeds will be used to acquire existing facilities as follows:

(i) $[____.] of Bond proceeds will be allocated by the Borrower to acquire one or more buildings (excluding the cost of the land), including the equipment for such buildings (the "**Buildings**"); and

(ii) $[0.00] of the Bond proceeds will be allocated to acquire structures other than a Building ("**Structures**").

(2) Rehabilitation. The Borrower will incur "rehabilitation expenditures" (as defined in Code § 147(d)(3)) with respect to the Buildings in excess of $[____.], an amount equal to 15% of the Bond-financed portion of the cost of acquiring the Buildings, excluding the cost of the land. The Borrower will incur such rehabilitation expenditures within [2] years after the Issue Date.

(j) ***Prohibited Facilities.*** No portion of the Bond proceeds will be used to provide any airplane, skybox, or other private luxury box, any facility primarily used for gambling, or any store the principal business of which is the sale of alcoholic beverages for consumption off premises, as such terms are used in Code § 147(e).

(k) ***Limit on Costs of Issuance.*** No proceeds of the Bonds will be used to pay costs of issuing the Bonds.

(l) ***Registered Bonds.*** All Bonds will be issued and held in registered form within the meaning of Code § 149(a).

(m) ***Bonds Not Federally Guaranteed.*** The Borrower will not take any action or permit any action to be taken which would cause the Bonds to be "federally guaranteed" within the meaning of Code § 149(b).

(n) ***Reports to IRS; Form 8038.*** The Borrower will assist the Issuer in filing all appropriate returns, reports and attachments to income tax returns required by the Code, including without limitation the Information Return for Private Activity Bond Issues (Form 8038). The Borrower provided to the Issuer the information contained in Parts II through VI of IRS Form 8038, which is contained in the Transcript, and such information is true, complete and correct as of the Issue Date. The Borrower provides the following information regarding the Project for Part V of Form 8038:

Line 31—Type of Property Financed by Nonrefunding Proceeds:

a	Land	$[______]
b	Buildings and structures	$[______]
c	Equipment with recovery period of more than 5 years	$ -
d	Equipment with recovery period of 5 years or less	$ -
e	Other	$ [-]

Line 32a — North American Industry Classification System code for the Project: 531110

Line 46 — Primary private user of the Project is the Borrower, employer identification number [-____].

(o) ***Hedge Bonds.*** At least 85% of the net sale proceeds of the Bonds will be used to carry out the governmental purposes of the Bonds within [3] years after the Issue Date, and not more than 50% of the Bond proceeds will be invested in investments having a substantially guaranteed yield for [4] years or more.

(p) ***Arbitrage Certifications.*** The facts, estimates and expectations recited in **Article III**, regarding the purpose of the Bonds, the investment and expenditure of Bond proceeds, the acquisition, rehabilitation and use of the Project and the Project, the funds and accounts created in the Indenture, the Yield on investments, and the computation and payment of arbitrage rebate, are true and accurate as of the Issue Date; the estimates and expectations recited in such Article are reasonable as of the Issue Date. The Issuer and Gilmore & Bell, P.C., as Bond Counsel, may rely on such statements and expectations. The Borrower does not expect that the Bond proceeds will be used in a manner that would cause any Bond to be an "arbitrage bond" within the meaning of Code § 148, and to the best of the Borrower's knowledge and belief, there are no other facts, estimates or circumstances that would materially change such expectations.

(q) ***Rebate Payments.*** The Borrower will pay or provide for payment to the United States or the Trustee all arbitrage rebate payments required under Code § 148 and this Tax Agreement, to the extent such amounts are not available to the Trustee in the Rebate Fund.

(r) ***Commercial Space.*** [There is no commercial space in the Project].

(s) ***Compliance with Current and Future Tax Requirements; Remedial Action.*** The Borrower understands that, in order to maintain the exclusion of the interest on the Bonds from gross income for federal income tax purposes, the Borrower must comply with the requirements and restrictions governing the investment and uses of Bond proceeds and the operation of the Project as set forth in this **Section 2.2**. In addition, future changes in the Code and regulatory guidance from the IRS may impose new or different restrictions and requirements on the Borrower in the future. The Borrower will comply with all of the current and future restrictions or will take remedial action to redeem all or a portion of the Bonds, in accordance with Regulations § 1.142-2 (which action will be accompanied by an Opinion of Bond Counsel), as necessary to cause interest on the Bonds to remain excludable from gross income for federal income tax purposes.

Section 2.3. Limit on Bond Maturity.

(a) ***Average Economic Life of Project.*** The Borrower understands that under Code § 147(b), the average Bond maturity cannot exceed 120% of the average, reasonably expected economic life of the Project, and that the economic life of the Project is measured from the later of (i) the Issue Date, or (ii) the date on which the Project is placed in service. Upon completion of the rehabilitation of the Project, the Borrower expects the average economic life of the Project to be not less than [__] years as determined by [APPRAISER] in its Appraisal with an effective date of [________]. On **Exhibit A**, the Borrower has identified the components of the Project, the portion of their costs paid from Bond proceeds and the economic life of the Project.

(b) ***Average Bond Maturity.*** The average maturity of the Bonds, as computed by Bond Counsel and set forth in **Exhibit B**, is [.__] years, which is less than [__] years (120% of the average, reasonably expected economic life of the Project of [__] years), as further shown in **Exhibit A**. The Borrower will not make, or permit to be made, any changes in the Project or the use of the Bond proceeds which will cause the average Bond maturity to exceed 120% of the average, reasonably expected economic life of the Project.

Section 2.4 Representations and Covenants of the Trustee. The Trustee represents and covenants to the Issuer and the Borrower as follows:

(a) The Trustee will comply with its express duties under this Tax Agreement and as set forth in any written letter or Opinion of Bond Counsel that sets forth any action necessary to preserve the exclusion of the interest on the Bonds from gross income for federal income tax purposes.

(b) The Trustee, at the written direction of the Borrower and acting on behalf of the Issuer, may from time to time cause a firm of attorneys, consultants or independent accountants or an investment banking firm to provide the Trustee with such information as it may request in order to determine all matters relating to (i) the Yield on the Bonds or Investments as it relates to any data or conclusions necessary to verify that the Bonds are not "arbitrage bonds" within the meaning of Code § 148, and (ii) compliance with arbitrage rebate requirements of Code § 148(f). The Borrower will pay all costs and expenses incurred in connection with supplying the foregoing information. Nothing herein shall obligate the Trustee to make any such requests or determine any such matters.

(c) The Trustee, acting on behalf of the Borrower and the Issuer, will retain records related to the investment and expenditure of Gross Proceeds held in funds and accounts maintained by the Trustee and any records provided to the Trustee by the Issuer or the Borrower related to the Post-Issuance Tax Requirements in accordance with **Section 4.2(a**) of this Tax Agreement. The Trustee will retain these records until three years following the final maturity of (i) the Bonds or, (ii) at the specific written request of the Borrower, any obligation issued to refund the Bonds; *provided*, however, if the Trustee is not retained to serve as bond trustee for any obligation issued to refund the Bonds (a "**Refunding Obligation**"), then the Trustee may satisfy its record retention duties under this **Section 2.4(c)** by providing copies of all records in its possession related to the Bonds to the bond trustee for the Refunding Obligation or, if none, to the Borrower.

Section 2.5. Survival of Representations and Covenants. All representations, covenants and certifications of the Issuer and the Borrower contained in this Tax Agreement will survive the execution and delivery of this Tax Agreement and the issuance, sale and delivery of the Bonds, as representations of facts existing as of the date of execution and delivery of the instruments containing such representations. The foregoing covenants of this Section will remain in full force and effect notwithstanding the defeasance of the Bonds and the discharge of the Indenture, until the final maturity date of all Bonds Outstanding and payment of such Bonds.

ARTICLE III

ARBITRAGE CERTIFICATIONS AND COVENANTS

Section 3.1. Purpose. The purpose of this Article is to certify, pursuant to Regulations § 1.148-2(b), the expectations of the Issuer and the Borrower as to the sources, uses and investment of Bond proceeds and other money, in order to support the Issuer's conclusion that the Bonds are not arbitrage bonds. The person executing this Tax Agreement on behalf of the Issuer is an officer of the Issuer responsible for issuing the Bonds.

Section 3.2. Reasonable Expectations. The facts, estimates and expectations of the Issuer set forth in this Article are based upon the Issuer's understanding of the documents and certificates that comprise the Transcript, including (a) the Indenture, (b) the Loan Agreement, (c) the Land Use Restriction Agreement, (d) this Tax Agreement, (e) representations and covenants of the Borrower and the Trustee contained in this Tax Agreement, and (f) representations contained in the certificates of the Purchaser contained in the Transcript. To the Issuer's knowledge, the facts and estimates set forth in this Tax Agreement are accurate, and the expectations of the Issuer set forth in this Tax Agreement are reasonable. The Issuer has no knowledge that would cause it to believe that the representations, warranties and certifications described herein are unreasonable or inaccurate or may not be relied upon.

Section 3.3. **Authority and Purpose for Bonds.** The Issuer is issuing and delivering the Bonds simultaneously with the execution of this Tax Agreement, pursuant to the laws of the State, a resolution passed by the governing body of the Issuer, and the Indenture. The Bonds are being issued to finance a portion of the costs of the Project.

Section 3.4. **Funds and Accounts.**

(a) The following funds and accounts have been established in the custody of the Trustee under the Indenture:

Project Fund
Bond Fund
Expense Fund
Rebate Fund

(b) A Casualty/Condemnation Account may be created in the Project Fund pursuant to Section 403(f) of the Indenture in the event of a casualty or condemnation pursuant to Section 507 of the Indenture. In addition, the Operating Agreement establishes [Insert Reserve Accounts] (as each is defined in the Operating Agreement) (collectively, the "**Company Reserve Accounts**").

Section 3.5. **Amount and Use of Bond Proceeds and Other Money.**

(a) ***Purchase of Bonds.*** The total, maximum proceeds to be received by the Issuer from the sale of the Bonds will be $[PRINCIPAL AMOUNT].00, funded in installments, as follows:

(i) the Purchaser shall fund the aggregate purchase price of the initial installment of the principal amount of the Bonds on the Issue Date in accordance with the Indenture and the Bond Purchase Agreement by funding the Bonds in the amount of $[____.] (the "**Initial Draw**"), which exceeds the lesser of $50,000 or 5% of the principal amount of the Bonds; and

(ii) so long as no event of default under the Indenture or the Loan Documents has occurred and is continuing, and no event that, with the giving of notice or lapse of time or both, would constitute an event of default under the Indenture or the Loan Documents has occurred and is continuing, the Borrower expects to cause the Purchaser to fund the remaining installments of the Bonds as follows:

Date	Installment	Date	Installment

(b) ***Use of Bond Proceeds.*** The Trustee will deposit the Initial Draw, as well as subsequent installments or draws, into the Project Fund and these amounts will be used to pay costs of the Project shown on **Exhibit A**.

(c) ***Sources and Uses of Other Money.***

(i) On the Issue Date, the Borrower will advance $[____.] of equity directly to Preferred Title of St. Joseph, LLC for disbursement to pay Project costs. Additional Borrower contributions are expected to be made in the aggregate amount of approximately $[____.], to be made in installments on a construction draw basis, as required by the Operating Agreement, and deposited with Preferred Title of St. Joseph, LLC for disbursement in accordance with the Disbursing Agreement. These amounts will be used to pay additional costs of the Project or will be transferred to the Bond Fund at the direction of the Borrower to redeem the Bonds.

(ii) The Borrower is receiving $[____.] in proceeds of the Subordinate Debt, to be received in installments. Installments of the Subordinate Debt will be deposited with the Disbursing Agent and applied in accordance with the Disbursing Agreement.

(d) ***Other Proceeds.*** Because the Bonds are being issued pursuant to a draw-down loan, the Borrower expects there will be no investment earnings on the proceeds of the Bonds.

(e) ***Allocation of Bond Proceeds and Other Money.*** The Borrower is initially allocating Bond proceeds and other money to expenditures as shown on **Exhibit A**. Within 6 months of completion of the Project, the Borrower will deliver to the Issuer, the Trustee and Bond Counsel a final allocation of sources and uses in the form of **Exhibit D** (the "**Final Written Allocation**"). The Borrower will make adjustments to the Final Written Allocation to the extent Bond Counsel notifies the Borrower in writing that failure to make the adjustments may cause interest on the Bonds to be includable in gross income for federal income tax purposes.

Section 3.6. No Multipurpose Issue. The Issuer is not applying the arbitrage rules separately to different purposes of the issue pursuant to Regulations § 1.148-9.

Section 3.7. No Refunding. No proceeds of the Bonds will be used to pay principal of or interest on any debt obligation.

Section 3.8. [Reserved].

Section 3.9. Project Completion. The Borrower has incurred or will incur within 6 months after the Issue Date, a substantial binding obligation to a third party to spend at least 5% of the net sale proceeds of the Bonds on the Project. The completion of the Project and the allocation of the net sale proceeds of the Bonds to expenditures will proceed with due diligence. At least 85% of the net sale proceeds of the Bonds will be allocated to expenditures on the Project within three years after the Issue Date.

Section 3.10. Loan Agreement/Sinking Funds.

(a) ***Loan; Loan Payments; Bond Fund.*** The Issuer is making the proceeds of the Bonds available to the Borrower pursuant to the Note and the Loan Agreement. Under the Loan Agreement, the Borrower is required to make monthly payments to the Trustee in amounts sufficient to pay the principal of and interest on the Bonds. Under the Note, the Borrower will make payments in amounts sufficient to pay the principal of, redemption premium, if any, and interest on the Bonds when due. The Trustee will deposit the Basic Payments into the Bond Fund.

(b) ***Bona Fide Debt Service Fund.*** Except for the Bond Fund, neither the Issuer nor the Borrower has established or expects to establish any sinking fund or other similar fund that is expected to be used to pay principal of or interest on the Bonds. The Bond Fund is used primarily to achieve a proper matching of revenues with principal and interest payments on the Bonds within each Bond Year, and the Issuer expects that the Bond Fund will qualify as a Bona Fide Debt Service Fund.

Section 3.11. Reserve, Replacement and Pledged Funds.

(a) ***No Reserve Fund.*** No reserve fund has been established for the Bonds.

(b) ***No Other Replacement Funds.*** No proceeds of the Bonds will be used as a substitute for other funds that were intended or earmarked to pay costs of the Project, and that have been or will be used to acquire higher yielding investments. Except for the Bond Fund, there are no other funds pledged or committed in a manner that provides a reasonable assurance that such funds would be available for payment of the principal of or interest on the Bonds if the Issuer or the Borrower encounters financial difficulty.

(b) ***Funds Not Holding Gross Proceeds.*** Amounts in the Company Reserve Accounts are not limited directly or indirectly to the payment of debt service on the Bonds. Amounts in the Rebate Fund will be used to pay rebate to the United States and, unless derived from the investment of certain Gross Proceeds, are not Gross Proceeds of the Bonds. Amounts held in the Expense Fund are expected to be used to pay fees and expenses relating to compliance with federal income tax law and regulations related to the taxation of interest on the Bonds and state or federal securities laws related to the Bonds, including this Tax Agreement, and other extraordinary fees or expenses associated with carrying or repaying the Bonds. Amounts held in the Casualty/Condemnation Account (if created) will be used to repair or replace the Project in the event the Project is destroyed by fire or other destruction. Therefore, amounts held in these funds and accounts are not pledged or committed in a manner that provides a reasonable assurance that such funds would be available for payment of the principal of or interest on the Bonds if the Borrower encounters financial difficulty and are not Gross Proceeds of the Bonds.

Section 3.12. Purpose Investment Yield. The Yield on the Loan will not exceed the Yield on the Bonds by more than 1/8%, as permitted by Regulations § 1.148-2(d)(2)(i). In determining the Yield on the Loan, "Qualified Administrative Costs" of the Loan paid by the Borrower will be taken into account to increase payments for, and reduce receipts from, the Loan, as permitted by Regulations § 1.148-5(e)(3). "**Qualified Administrative Costs**" are (a) costs or expenses paid, directly or indirectly, to purchase, carry, sell or retire the Loan, and (b) costs of issuing, carrying or repaying the Bonds, and the Issuer's origination fees; but fees paid to the Issuer are not Qualified Administrative Costs.

Section 3.13. Yield.

(a) ***Issue Price.*** Based on the Purchaser's certifications in the Purchaser's Closing Certificate, the Issuer and the Borrower hereby elect to establish the issue price of the Bonds pursuant to Regulations § 1.148-1(f)(2)(i) (relating to the so-called "private placement rule"). Therefore, the aggregate issue price of the Bonds for such purpose is $[PRINCIPAL AMOUNT].00 (the "**Issue Price**").

(b) ***Bond Yield.*** Based on the Issue Price and the Borrower's expectations as described below, the Yield on the Bonds is [._]%, as computed by Bond Counsel and shown on **Exhibit B**. The Yield on the Bonds was computed based on the Borrower's expectations that (i) the funding of the remaining purchase price installments of the Bonds will occur on the dates as set forth in **Section 3.5(a)(2)**, and (ii) the Bonds will be redeemed with equity and proceeds of the MHDC Permanent Loan on or about [____].

Section 3.14. Miscellaneous Tax Matters.

(a) ***Expected Use.*** The Borrower expects to use the Project for a period in excess of the term of the Bonds.

(b) ***No Abusive Arbitrage Device.*** The Bonds are not and will not be part of a transaction or series of transactions that has the effect of (i) enabling the Issuer or the Borrower to exploit the difference between tax-exempt and taxable interest rates to gain a material financial advantage, or (ii) overburdening the tax-exempt bond market.

(c) ***Single Issue; No Other Issues.*** The Bonds constitute a single "issue" under Regulations § 1.150-1(c). No other obligations of the Issuer (i) are being sold within 15 days of the sale of the Bonds; (ii) are being sold pursuant to the same plan of financing as the Bonds; and (iii) are expected to be paid from substantially the same source of funds (disregarding guarantees from unrelated parties, such as bond insurance). All Bond proceeds will be drawn within three years of the Issue Date.

Section 3.15. Conclusion. On the basis of the foregoing facts, estimates and circumstances, the Issuer does not expect that the Bond proceeds will be used in a manner that would cause any Bond to be an "arbitrage bond" within the meaning of Code § 148.

ARTICLE IV

POST-ISSUANCE TAX REQUIREMENTS, POLICIES AND PROCEDURES

Section 4.1. General.

(a) ***Purpose of Article.*** The purpose of this **Article IV** is to supplement the Tax Compliance Procedure and to set out specific policies and procedures governing compliance with the federal income tax requirements that apply after the Bonds are issued. The Issuer and the Borrower recognize that interest on the Bonds will remain excludable from gross income only if the Post-Issuance Tax

Requirements are followed after the Issue Date. The Issuer and the Borrower further acknowledge that written evidence substantiating compliance with the Post-Issuance Tax Requirements must be retained in order to permit the Bonds to be refinanced with tax-exempt obligations and substantiate the position that interest on the Bonds is exempt from gross income in the event of an audit of the Bonds by the IRS.

(b) ***Written Policies and Procedures of the Issuer.*** The Issuer intends for the Tax Compliance Procedure, as supplemented by this Tax Agreement, to be its primary written policies and procedures for monitoring compliance with the Post-Issuance Tax Requirements for the Bonds and to supplement any other formal policies and procedures related to tax compliance that the Issuer has established. The provisions of this Tax Agreement are intended to be consistent with the Tax Compliance Procedure. In the event of any inconsistency between the Tax Compliance Procedure and this Tax Agreement, the terms of this Tax Agreement will govern.

(c) ***Borrower Responsible for Post-Issuance Tax Requirements.*** By delivery of this Tax Agreement, the Bond Compliance Officer has provided a copy of the Tax Compliance Procedure to the Borrower Bond Compliance Officer. The Tax Compliance Procedure contemplates that the Borrower and the Borrower's Bond Compliance Officer will follow the Tax Compliance Procedure. The Issuer and the Borrower acknowledge that the investment and expenditure of proceeds of the Bonds are within the control of the Borrower, and that substantially all of the proceeds of the Bonds and the property financed or refinanced by the Bonds is controlled by the Borrower. For these reasons, the Issuer and the Bond Compliance Officer are relying on the Borrower and the Borrower Bond Compliance Officer to carry out the Post-Issuance Tax Requirements as set out in this Tax Agreement and the Tax Compliance Procedure. The Borrower agrees to undertake these obligations and the obligations imposed on it by the Tax Compliance Procedure. The Issuer and the Bond Compliance Officer will cooperate with the Borrower when necessary to enable the Borrower to fulfill its Post-Issuance Tax Requirements. Subject to this **Section 4.1(c)** and **Section 4.1(d)**, this cooperation includes, but is not limited to, signing Form 8038-T in connection with the payment of arbitrage rebate or yield reduction payments, participating in any federal income tax audit of the Bonds or related proceedings under a voluntary compliance agreement procedure (VCAP) or a remedial action procedure pursuant to Regulations § 1.142-2.

(d) ***Opinion of Bond Counsel.*** Prior to taking any action requested by the Borrower Bond Compliance Officer for the purpose of carrying out the Post-Issuance Tax Requirements, the Issuer is entitled to seek and receive an Opinion of Bond Counsel acceptable to the Issuer.

(e) ***Payment of Costs of Post-Issuance Tax Requirements and Indemnifications.*** Neither the Issuer nor the Trustee is required to incur any cost in connection with any action taken related to the Post-Issuance Tax Requirements, it being the intent of the parties that all costs of the Post-Issuance Tax Requirements will be paid by, or immediately reimbursed by, the Borrower. With respect to all actions requested of the Issuer by the Borrower involving Post-Issuance Tax Requirements, the Issuer is entitled to recover from the Borrower all legal and other fees and expenses incurred and has all rights of indemnification against the Borrower generally contained in the Loan Agreement and the Indenture. The Issuer may, in its discretion, require prepayment of all legal and other fees and expenses of this type prior to taking any requested action.

Section 4.2. Record Keeping; Use of Bond Proceeds and Use of Financed Facility.

(a) ***Record Keeping.*** The Borrower Bond Compliance Officer will ensure the Tax-Exempt Bond File is kept with the Trustee in accordance with the Tax Compliance Procedure. The Borrower Bond Compliance Officer is also responsible for updating the Tax-Exempt Bond File as set forth in this Tax Agreement and the Tax Compliance Procedure. The Tax-Exempt Bond File shall be accessible to the Issuer. Unless otherwise specifically instructed in a written Opinion of Bond Counsel or to the extent otherwise provided in this Tax Agreement, the Borrower will retain records related to the Post-Issuance Tax Requirements until 3 years following the final maturity of (i) the Bonds or (ii) any tax-advantaged obligation issued to refund the Bonds. Any records maintained electronically must comply with Section 4.01 of Revenue Procedure 97-22, which generally provides that an electronic storage system must (1) ensure an accurate and complete transfer of the hardcopy records which indexes, stores, preserves, retrieves and reproduces the electronic records, (2) include reasonable controls to ensure integrity, accuracy and reliability of the electronic storage system and to prevent unauthorized alteration or deterioration of electronic records, (3) exhibit a high degree of legibility and readability both electronically and in hardcopy, (4) provide support for other books and records of the Borrower, and (5) not be subject to any agreement that would limit the ability of the IRS to access and use the electronic storage system on the Borrower's premises.

(b) ***Accounting and Allocation of Bond Proceeds to Expenditures.*** The Borrower Bond Compliance Officer will account for the investment and expenditure of Bond proceeds in the level of detail required by the Tax Compliance Procedure. The Borrower Bond Compliance Officer will supplement the expected allocation of Bond proceeds to expenditures with a Final Written Allocation as required by the Tax Compliance Procedure. A sample form of Final Written Allocation is attached as **Exhibit D**. The Borrower agrees to send a notice (the "**Notice**") to the Issuer and the Trustee immediately following the placed-in-service date of the Project alerting each party that the Project has been placed-in-service. Within 12 months of the placed-in-service date of the Project, the Borrower will then complete the Final Written Allocation. Once completed, the Borrower will send a copy of the Final Written Allocation to the Trustee. If the Trustee has not received the Final Written Allocation within 12 months of receiving the Borrower's Notice, the Trustee will send a reminder to the Borrower of its responsibility to complete the Final Written Allocation. If the Trustee still has not received the Final Written Allocation from the Borrower as of 60 days following the date the Trustee sent the reminder, the Trustee will notify the Issuer by letter or email.

(c) ***Annual Compliance Checklist.*** Attached as **Exhibit C** is a form of annual compliance checklist for the Bonds. The Borrower Bond Compliance Officer will prepare and complete an annual compliance checklist for the facilities financed with Bond proceeds at least annually in accordance with the Tax Compliance Procedure and file the completed checklist with the Trustee. In the event the annual compliance checklist identifies a deficiency in compliance with the requirements of this Tax Agreement, the Borrower Bond Compliance Officer will consult with the Bond Compliance Officer and in conjunction with the Bond Compliance Officer will take the actions identified in an Opinion of Bond Counsel or the Tax Compliance Procedure to correct any deficiency. The first annual compliance checklist will be completed within one year following the completion of the Final Written Allocation. Beginning on the first anniversary of the Trustee's receipt of the Final Written Allocation and continuing on such date each year until the final maturity of the Bonds (each a "**Final Written Allocation Anniversary Date**"), if the Trustee has not received an annual compliance checklist from the Borrower as of the Final Written Allocation Anniversary Date, the Trustee will send a reminder to the Borrower of its responsibility to complete the annual compliance checklist. If the Trustee still has not received an annual compliance checklist from the Borrower as of 30 days following any such Final Written Allocation Anniversary Date, the Trustee will notify the Issuer by letter or email.

(d) ***Trustee as Repository.*** In holding the Tax-Exempt Bond File and other documents such as the Final Written Allocation and the annual compliance checklists, the Trustee is acting as a repository of documentation concerning the Bonds. The Trustee will not be bound to make any investigation into the facts or matters stated in the Final Written Allocation, or any annual compliance checklist, resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order or other paper or document. The Trustee may, however, in its discretion, 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 and Borrower relating to the Project during normal business hours and upon reasonable notice, personally or by agent or attorney.

(e) ***Opinions of Bond Counsel.*** The Borrower Bond Compliance Officer is responsible for obtaining and delivering to the Issuer and the Trustee any Opinion of Bond Counsel required under the provisions of this Tax Agreement, including any Opinion of Bond Counsel required by the Tax Compliance Procedure or the annual compliance checklist.

Section 4.3. Rebate Covenants. The Borrower will (a) engage the Rebate Analyst to compute arbitrage rebate on the Bonds as of the Computation Date in accordance with the Regulations and (b) pay to the United States, but solely from amounts held in the Rebate Fund or money provided by the Borrower, all arbitrage rebate at the written direction of the Rebate Analyst in accordance with this Tax Agreement and the Regulations. The Borrower will make payments to the Trustee as necessary to comply with the rebate requirements of Code § 148(f) and the Regulations.

Section 4.4. Temporary Periods/Yield Restriction. Except as described below, Gross Proceeds will not be invested at a Yield greater than the Yield on the Bonds:

(a) ***Project Fund.*** Sale proceeds of the Bonds deposited in the Project Fund and investment earnings on such proceeds may be invested without yield restriction for three years after the Issue Date. If any proceeds remain in the Project Fund after three years, such amounts may continue to be invested without yield restriction so long as yield reduction payments are made to the United States of America in accordance with Regulations § 1.148–5(c).

(b) ***Bond Fund.*** To the extent that the Bond Fund qualifies as a Bona Fide Debt Service Fund, amounts in the Bond Fund may be invested without yield restriction for 13 months after the date of deposit. Earnings on such amounts may be invested without yield restriction for one year after the date of receipt of such earnings.

(c) ***Other Indenture Funds.*** The Expense Fund and the Casualty/Condemnation Account (if created) are not expected to contain Gross Proceeds. Therefore, amounts in these funds and accounts may be invested without Yield restriction.

(d) ***Reserves under Operating Agreement.*** The Company Reserve Accounts to be established and maintained by the Borrower under the Operating Agreement are not expected to contain Gross Proceeds. Therefore, amounts in these funds and accounts may be invested without Yield restriction.

(e) ***Minor Portion.*** In addition to the amounts described above, Gross Proceeds not exceeding the Minor Portion may be invested without yield restriction.

Section 4.5. Fair Market Value.

(a) ***General.*** No Investment may be acquired with Gross Proceeds for an amount (including transaction costs) in excess of the fair market value of such Investment, or sold or otherwise disposed of for an amount (including transaction costs) less than the fair market value of the Investment. The fair market value of any Investment is the price a willing buyer would pay to a willing seller to acquire the Investment in a bona fide, arm's-length transaction. Fair market value will be determined in accordance with § 1.148-5 of the Regulations.

(b) ***Established Securities Market.*** Except for Investments purchased for a yield-restricted defeasance escrow, if an Investment is purchased or sold in an arm's-length transaction on an established securities market (within the meaning of Code § 1273), the purchase or sale price constitutes the fair market value. Where there is no established securities market for an Investment, market value will be established using one of the paragraphs below. The fair market value of Investments purchased for a yield-restricted defeasance escrow will be determined in a bona fide solicitation for bids that complies with § 1.148-5 of the Regulations.

(c) ***Certificates of Deposit.*** The purchase price of a certificate of deposit (a "**CD**") is treated as its fair market value on the purchase date if (i) the CD has a fixed interest rate, a fixed payment schedule, and a substantial penalty for early withdrawal; (ii) the Yield on the CD is not less than the Yield on reasonably comparable direct obligations of the United States; and (iii) the Yield is not less than the highest Yield published or posted by the CD issuer to be currently available on reasonably comparable CDs offered to the public.

(d) ***Guaranteed Investment Contracts.*** The purchase price of a Guaranteed Investment Contract is treated as its fair market value on the purchase date if all of the following requirements are met—

(i) Bona Fide Solicitation for Bids. The Borrower or the Trustee makes a bona fide solicitation for the Guaranteed Investment Contract, using the following procedures:

(1) The bid specifications are in writing and are timely forwarded to potential providers.

(2) The bid specifications include all "material" terms of the bid. A term is "**material**" if it may directly or indirectly affect the Yield or the cost of the Guaranteed Investment Contract.

(3) The bid specifications include a statement notifying potential providers that submission of a bid is a representation (A) that the potential provider did not consult with any other potential provider about its bid, (B) that the bid was determined without regard to any other formal or informal agreement that the potential provider has with the Issuer, the Borrower, the Trustee, or any other person (whether or not in connection with the Bond issue), and (C) that the bid is not being submitted solely as a courtesy to the Issuer, the Borrower, the Trustee, or any other person, for purposes of satisfying the requirements of the Regulations.

(4) The terms of the bid specifications are "commercially reasonable." A term is "**commercially reasonable**" if there is a legitimate business purpose for the term other than to increase the purchase price or reduce the Yield of the Guaranteed Investment Contract.

(5) The terms of the solicitation take into account the Borrower's reasonably expected deposit and drawdown schedule for the amounts to be invested.

(6) All potential providers have an equal opportunity to bid. For example, no potential provider is given the opportunity to review other bids (*i.e.*, a last look) before providing a bid.

(7) At least 3 "reasonably competitive providers" are solicited for bids. A "**reasonably competitive provider**" is a provider that has an established industry reputation as a competitive provider of the type of investments being purchased.

(ii) Bids Received. The bids received by the Borrower or the Trustee will meet all of the following requirements:

(1) The Borrower or the Trustee receives at least 3 bids from providers that were solicited as described above and that do not have a "material financial interest" in the issue. For this purpose, (A) a lead underwriter in a negotiated underwriting transaction is deemed to have a material financial interest in the issue until 15 days after the issue date of the issue; (B) any entity acting as a financial advisor with respect to the purchase of the Guaranteed Investment Contract at the time the bid specifications are forwarded to potential providers has a material financial interest in the issue; and (C) a provider that is a related party to a provider that has a material financial interest in the issue is deemed to have a material financial interest in the issue.

(2) At least one of the 3 bids received is from a reasonably competitive provider, as defined above.

(3) If the Borrower or the Trustee uses an agent or broker to conduct the bidding process, the agent or broker did not bid to provide the Guaranteed Investment Contract.

(iii) Winning Bid. The winning bid is the highest yielding bona fide bid (determined net of any broker's fees).

(iv) Fees Paid. The obligor on the Guaranteed Investment Contract certifies the administrative costs that it pays (or expects to pay, if any) to third parties in connection with supplying the Guaranteed Investment Contract.

(v) Records. The Trustee retains the following records (to the extent it has received the same) with the Bond documents until 3 years after the last outstanding Bond is redeemed:

(1) A copy of the Guaranteed Investment Contract.

(2) The receipt or other record of the amount actually paid by the Borrower or the Trustee for the Guaranteed Investment Contract, including a record of any administrative costs paid by the Borrower or the Trustee, and the certification as to fees paid, described in paragraph **(d)(iv)** above.

(3) For each bid that is submitted, the name of the person and entity submitting the bid, the time and date of the bid, and the bid results.

(4) The bid solicitation form and, if the terms of Guaranteed Investment Contract deviated from the bid solicitation form or a submitted bid is modified, a brief statement explaining the deviation and stating the purpose for the deviation.

(e) ***Other Investments.*** If an Investment is not described above, the fair market value may be established through a competitive bidding process, as follows:

(i) at least three bids on the Investment will be received from persons with no financial interest in the Bonds (*e.g.,* as underwriters or brokers); and

(ii) the Yield on the Investment will be equal to or greater than the Yield offered under the highest bid.

Section 4.6. Spending Exceptions.

(a) ***Six-Month Exception.***

(i) The obligation to pay rebate to the United States will be treated as satisfied if—

(1) the Gross Proceeds (as modified below) are allocated to expenditures for the governmental purpose of the Bonds within 6 months after the Issue Date; and

(2) rebate is paid in accordance with Code § 148 on all Gross Proceeds not required to be spent as provided in paragraph **(1)** above (other than amounts in a Bona Fide Debt Service Fund). Normally, this will include only Gross Proceeds in a reasonably required reserve or replacement fund.

(ii) For purposes of paragraph **(i)(1)** above, Gross Proceeds do not include amounts in a Bona Fide Debt Service Fund or a reasonably required reserve or replacement fund, or amounts that become Gross Proceeds after the end of the 6-month spending period, but were not anticipated as of the Issue Date. The use of Gross Proceeds to pay principal of any Bond will not be treated as an expenditure of Gross Proceeds for this purpose.

(b) ***Eighteen-Month Exception.***

(i) The obligation to pay rebate to the United States will be treated as satisfied if—

(1) the Gross Proceeds (as modified below) are allocated to expenditures for the governmental purpose of the Bonds in accordance with the following schedule:

Time Period After the Issue Date	Minimum Percentage of Gross Proceeds Spent
6 months	15%
12 months	60%
18 months	100%

and

(2) rebate is paid in accordance with Code § 148 on all Gross Proceeds not required to be spent in accordance with the 18-month spending schedule (other than amounts in a Bona Fide Debt Service Fund). Normally, this will include only Gross Proceeds in a reasonably required reserve or replacement fund.

(ii) For purposes of paragraph **(1)(A)** above, Gross Proceeds do not include amounts in a Bona Fide Debt Service Fund or a reasonably required reserve or replacement fund, or amounts that become Gross Proceeds after the end of the

18-month spending period, but were not anticipated as of the Issue Date. The Bonds meet the 18-month spending test even if, at the end of the 18-month period, Gross Proceeds not exceeding a Reasonable Retainage remain unspent, so long as such proceeds are allocated to expenditures within 30 months after the Issue Date. In addition, the failure to satisfy the final spending requirement at the end of the 18-month period is disregarded if the Borrower uses due diligence to complete the Project and the amount of the failure does not exceed the lesser of 3% of the aggregate issue price of the Bonds or $250,000. But the use of Gross Proceeds to pay principal of any Bond cannot be treated as an expenditure of Gross Proceeds for the purpose of the spending exception.

Section 4.7. Computation and Payment of Arbitrage Rebate.

(a) ***Rebate Fund.*** A special fund designated the "Rebate Fund" has been established under the Indenture. The Trustee will keep the Rebate Fund separate from all other funds and will administer the Rebate Fund pursuant to this Tax Agreement. Any investment earnings derived from the Rebate Fund will be credited to the Rebate Fund, and any investment loss will be charged to such Fund.

(b) ***Computation of Rebate Amount.*** The Trustee will provide the Rebate Analyst investment account statements relating to each fund held by the Trustee that contains Gross Proceeds of the Bonds at the times that account statements are provided to the Borrower, and not later than ten days following each Computation Date. The Borrower will provide the Rebate Analyst with copies of investment reports for any funds containing Gross Proceeds that are held by a party other than the Trustee annually as of the end of each Bond Year and not later than ten days following each Computation Date. Each investment account statement provided to the Rebate Analyst will contain a record of each Investment, including (i) purchase date, (ii) purchase price, (iii) information establishing the fair market value on the date that Investment was allocated to the Bonds, (iv) any accrued interest paid, (v) face amount, (vi) coupon rate, (vii) frequency of interest payments, (viii) disposition price, (ix) any accrued interest received, and (x) disposition date. These records may be supplied in electronic form. The Rebate Analyst will compute the rebate amount following each Computation Date and deliver a written report to the Trustee, the Borrower and the Issuer together with an opinion or certificate of the Rebate Analyst stating that arbitrage rebate was determined in accordance with the Regulations. Each report and opinion will be provided not later than 45 days following the Computation Date to which it relates. The Trustee has no duty or responsibility to verify or analyze the statements and calculations set forth in such report or opinion. In performing its duties, the Rebate Analyst may rely, in its discretion, on the correctness of financial analysis reports prepared by other professionals. If the sum of the amount on deposit in the Rebate Fund and the value of prior rebate payments is less than the rebate amount due, the Borrower will, within 55 days after that Computation Date, pay to the Trustee the amount of the deficiency for deposit into the Rebate Fund. If the sum of the amount on deposit in the Rebate Fund and the value of prior rebate payments is greater than the rebate amount due, the Trustee will transfer that surplus from the Rebate Fund to the Borrower (provided no event of default has occurred and is continuing under the Indenture and the Loan Agreement). After the final Computation Date or at any time if the Rebate Analyst has advised the Trustee, any money left in the Rebate Fund will be paid to the Borrower and may be used for any purpose not prohibited by law.

(c) ***Rebate Payments.*** Within 60 days after each Computation Date, the Trustee will pay (but solely from moneys in the Rebate Fund or moneys provided by the Borrower) to the United States of America the rebate amount and yield reduction payment, if applicable, then due. Each rebate payment and yield reduction payment determined by the Rebate Analyst, if applicable, will be accompanied by IRS Form 8038-T and such other forms, documents or certificates as may be required by the Regulations, and will be mailed or delivered to the address shown below or to such other location as the Internal Revenue Service may direct:

Internal Revenue Service
Ogden, Utah 84201

Section 4.8. Successor Rebate Analyst. If the firm acting as the Rebate Analyst resigns or becomes incapable of acting for any reason, or if either the Borrower or the Issuer desire that a different firm act as the Rebate Analyst, then the Borrower (so long as no event of default hereunder or under the Loan Agreement has occurred and is continuing) or the Issuer, by an instrument or concurrent instruments in writing delivered to the Trustee, the firm then serving as the Rebate Analyst and any other party to this Tax Agreement, will engage a successor Rebate Analyst. In each case the successor Rebate Analyst must be a firm of nationally recognized bond counsel, a firm of independent certified public accountants, or a financial institution (which may be the Trustee or any of its affiliates) experienced in making the arbitrage and rebate calculation required pursuant to Section 148(f) of the Code, and that firm must expressly agree to undertake the responsibilities assigned to the Rebate Analyst under this Tax Agreement. In the event the firm acting as the Rebate Analyst resigns or becomes incapable of acting for any reason and neither the Issuer nor the Borrower appoints a qualified successor Rebate Analyst within 30 days following a request to appoint a successor Rebate Analyst, then the Trustee will appoint a firm to act as the successor Rebate Analyst.

Section 4.9. Rebate Report Records. The Trustee will retain copies of each arbitrage rebate report and opinion until three years after the final Computation Date.

Section 4.10. Filing Requirements. The Issuer (if requested in writing by the Borrower), the Trustee (if requested in writing by the Borrower), and the Borrower will file or cause to be filed with the IRS such reports or other documents as are required by the Code in accordance with an Opinion of Bond Counsel addressed and delivered to those parties.

Section 4.11. Survival after Defeasance. Notwithstanding anything in the Indenture to the contrary, the obligation to pay arbitrage rebate to the United States will survive the payment or defeasance of the Bonds.

ARTICLE V

MISCELLANEOUS PROVISIONS

Section 5.1. Term of Tax Agreement. This Tax Agreement will become effective upon the issuance and delivery of the Bonds and will continue in force and effect until the principal of, redemption premium, if any, and interest on all Bonds have been fully paid and all such Bonds are cancelled; except that the provisions of **Article IV** regarding payment of arbitrage rebate and all related penalties and interest will remain in effect until all such amounts are paid to the United States of America.

Section 5.2. Amendments. This Tax Agreement may be amended from time to time by the parties to this Tax Agreement without notice to or the consent of any of the Bondowners, but only if that amendment is in writing and is accompanied by an Opinion of Bond Counsel to the effect that, under then existing law, assuming compliance with this Tax Agreement as so amended, the Indenture and the Loan Agreement, the amendment will not cause any Bond to be an arbitrage bond under Code § 148 or otherwise cause interest on any Bond to be included in gross income for federal income tax purposes.

Section 5.3. Opinion of Bond Counsel. The Issuer, the Borrower and the Trustee may deviate from the provisions of this Tax Agreement if furnished with an Opinion of Bond Counsel to the effect that the proposed deviation will not adversely affect the excludability of interest on the Bonds from gross income for federal income tax purposes. The Issuer (to the extent within its power or direction), the

Borrower and the Trustee further agree to comply with any further or different instructions provided in an Opinion of Bond Counsel to the effect that the further or different instructions need to be complied with in order to maintain the validity of the Bonds or the excludability from gross income of interest on the Bonds for federal income tax purposes.

Section 5.4. Reliance. In delivering this Tax Agreement, the Issuer and the Trustee are making only those certifications, representations and agreements as are specifically attributed to them in this Tax Agreement. The balance of the certifications, representations and agreements contained in this Tax Agreement, except those made by the Purchaser in the Purchaser's Closing Certificate, are those of the Borrower, and the Issuer and the Trustee are relying on the Borrower with respect to them. Neither the Issuer nor the Trustee is aware of any facts or circumstances which would cause it to question the accuracy of the facts, circumstances, estimates or expectations of the Borrower or the Purchaser and, to the best of the Issuer's knowledge, those facts, circumstances, estimates and expectations are reasonable.

Section 5.5. Severability. If any provision in this Tax Agreement or in the Bonds is determined to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions will not be affected or impaired.

Section 5.6. Benefit of Agreement. This Tax Agreement is binding upon the Issuer, the Trustee and the Borrower and their respective successors and assigns, and inures to the benefit of the parties to this Tax Agreement and the owners of the Bonds. Nothing in this Tax Agreement or in the Indenture or the Bonds, express or implied, gives to any person, other than the parties to this Tax Agreement and their successors and assigns, and the owners of the Bonds, any benefit or any legal or equitable right, remedy or claim under this Tax Agreement. The certifications and representations made in this Tax Agreement and the expectations presented in this Tax Agreement are intended, and may be relied upon, as a certification of an officer of the Issuer given in good faith described in Regulations § 1.148-2(b)(2). The Borrower understands that its certifications in this Tax Agreement and in its Closing Certificate will be relied upon by the Issuer in the issuance of the Bonds and execution of this Tax Agreement. The Issuer and the Borrower understand that the certifications will be relied upon by the law firm of Gilmore & Bell, P.C., in rendering its opinion as to the validity of the Bonds and the exclusion from federal gross income of the interest on the Bonds.

Section 5.7. Default, Breach and Enforcement. Any misrepresentation of a party, or any breach of a covenant or agreement, contained in this Tax Agreement is an event of default under this Tax Agreement; *provided*, however, that to the extent such misrepresentation or breach is curable the Borrower will be provided notice of the misrepresentation or breach and will be given an opportunity to cure the matter within a cure period to be established by the Issuer in its sole discretion. An event of default under this Tax Agreement constitutes an "Event of Default" under the Indenture pursuant to Section 601(d)(i) of the Indenture, and remedies for an event of default under this Tax Agreement may be pursued pursuant to the terms of the Indenture, the Loan Agreement or any other document which references this Tax Agreement and gives remedies for an event of default thereunder.

Section 5.8. Tax Audits. The Issuer and the Borrower acknowledge that the IRS has a tax audit program in place, and that the cost of professional representation and compliance with requests for records and other information that are a part of an audit can be substantial, even if no violation of tax laws are found. The Issuer and the Borrower also recognize that, under current administrative procedures, the IRS must direct audit inquiries to the Issuer, even though the Borrower has the primary responsibility for maintaining the exclusion of interest on the Bonds from gross income for federal income tax purposes. Upon receipt of notice of the commencement of any audit of the Bonds, the Borrower or the Issuer will notify the other promptly. Throughout the term of the audit and any subsequent proceedings, the Issuer and the Borrower will provide copies to one another of any correspondence received from or transmitted to the IRS by the other. The Issuer may hire its own legal counsel to represent its interests in connection with the audit or in any further proceeding that results from the audit. At the request of the Issuer, the Borrower will hire legal counsel to represent the Borrower in the audit. The Borrower, upon written request of the Issuer, will assume responsibility for responding to information and document requests made by the auditor that are within the knowledge or possession of the Borrower. Promptly on demand by the Issuer in writing, the Borrower will pay costs incurred by the Issuer in connection with the audit or any legal or administrative proceeding resulting from the audit (including the Issuer's reasonable attorney's fees and expenses). Neither the Issuer nor the Borrower will have the right to represent or otherwise bind the other party in connection with any settlement related to the tax-exempt status of the Bonds. Nothing contained in this section is intended to limit the rights of the Issuer to recovery under the Loan Agreement or any other agreement or certificate executed in connection with the issuance of the Bonds.

Section 5.9. Execution in Counterparts. This Tax Agreement may be executed in any number of counterparts, each of which so executed will be deemed to be an original, but all counterparts will together constitute the same instrument.

Section 5.10. Governing Law. This Tax Agreement will be governed by and construed in accordance with the laws of the State.

Section 5.11. Electronic Transactions. The parties agree that the transaction described in this Tax Agreement may be conducted, and related documents may be sent, received, or stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original executed 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.

Section 5.12. The Trustee. The Trustee is executing this Tax Agreement solely as trustee under the Indenture and shall have the same rights, protections, immunities and indemnities hereunder that are afforded to it under the Indenture and the Loan Agreement. No implied duties, obligations or covenants shall be read into this Tax Agreement against the Trustee.

Section 5.13. Anti-Discrimination Against Israel Act. Pursuant to Section 34.600 of the Revised Statutes of Missouri (the "**Anti-Discrimination Against Israel Act**"), the Trustee and the Borrower each hereby certify and agree that, to the extent the Anti-Discrimination Against Israel Act is applicable to this Agreement, they are not currently engaged in and shall not, for the duration of this Agreement, engage in a boycott of goods or services from (a) the State of Israel, (b) companies doing business in or with the State of Israel or authorized by, licensed by, or organized under the laws of the State of Israel, or (c) persons or entities doing business with the State of Israel, in all respects within the meaning of the Anti-Discrimination Against Israel Act. This certification shall not be deemed an admission or agreement that the Anti-Discrimination Against Israel Act is applicable to this Agreement, but the foregoing certification is provided if the Anti-Discrimination Against Israel Act is applicable. If the Anti-Discrimination Against Israel Act is initially deemed or treated as applicable to this Agreement, but is subsequently determined not to apply to this Agreement for any reason, including the repeal or amendment of the Anti-Discrimination Against Israel Act, then the foregoing certification shall cease to be effective.

[*Remainder of page intentionally left blank.*]

THE PARTIES have caused this Tax Compliance Agreement to be duly executed by their duly authorized signatories, all as of the day and year first above written.

LAND CLEARANCE FOR REDEVELOPMENT AUTHORITY OF KANSAS CITY, MISSOURI

By ___________________________________
Name: Daniel Moye
Title: Executive Director

UMB BANK, N.A., as Trustee

By ___________________________________

Name: ________________________________

Title: Vice President

38 EUCLID, LLC, a Missouri limited liability company

By: **38 EUCLID MANAGING MEMBER, LLC**, a Missouri limited liability company, its Managing Member

By: **COMMUNITY BUILDERS OF KANSAS CITY**, a Missouri nonprofit corporation, its Managing Member

By ________________________________

Name: Emmet Pierson, Jr.

Title: President and CEO

EXHIBIT A

SOURCES AND USES OF FUNDS AND CALCULATION OF AVERAGE ECONOMIC LIFE

[ATTACHED]

EXHIBIT B

CALCULATION OF WEIGHTED AVERAGE MATURITY OF BONDS AND SCHEDULE OF BOND DEBT SERVICE AND PROOF OF BOND YIELD

[ATTACHED]

EXHIBIT C

FORM OF ANNUAL COMPLIANCE CHECKLIST

Name of tax-exempt bonds ("Bonds") financing Financed Asset:	Multifamily Housing Revenue Bonds (Urban 38 Project) Series 2026
Issue Date of Bonds:	[CLOSING DATE]
Placed in service date of Project Facility:	
Name of Borrower Bond Compliance Officer:	
Period covered by request ("Annual Period"):	

Item	Question	Response
1 **Ownership**	Was the entire Project Facility owned by the Borrower during the entire Annual Period?	☐ Yes ☐ No
	If answer above was "No," was an Opinion of Bond Counsel obtained prior to the transfer? If Yes, include a copy of the Opinion in the Tax-Exempt Bond File. If No, contact Bond Counsel and include description of resolution in the Tax-Exempt Bond File.	☐ Yes ☐ No

2 **Non-Residential Areas**	During the Annual Period, was any part of the Project Facility designated for purposes other than residential?	☐ Yes ☐ No
	If answer above was "Yes," was an Opinion of Bond Counsel obtained prior to designation of such purpose? If Yes, include a copy of the Opinion in the Tax-Exempt Bond File. If No, contact Bond Counsel and include description of resolution in the Tax-Exempt Bond File.	☐ Yes ☐ No

3 **Timely Return Filing**	During the Annual Period, have all necessary forms been filed with the IRS (*i.e.* Form 8703, possibly Form 8038-T (concerning arbitrage rebate), etc.)?	☐ Yes ☐ No
	If answer above was "No," contact Bond Counsel and include description of resolution in the Tax-Exempt Bond File.	☐ Yes ☐ No

Item	Question	Response
4 **Other Use**	Have the Bonds been modified, refunded or redeemed?	☐ Yes ☐ No
	If answer above was "Yes," was an Opinion of Bond Counsel obtained prior to entering into the agreement? If Yes, include a copy of the Opinion in the Tax-Exempt Bond File. If No, contact Bond Counsel and include description of resolution in the Tax-Exempt Bond File.	☐ Yes ☐ No

5 **Arbitrage & Rebate**	Have all rebate and yield reduction calculations mandated in the Tax Compliance Agreement been prepared for the current year?	☐ Yes ☐ No
	If No, contact Rebate Analyst and incorporate report or include description of resolution in the Tax-Exempt Bond File.	

Borrower Bond Compliance Officer: ______________________________

Date Completed: ______________________________

EXHIBIT D

SAMPLE FINAL WRITTEN ALLOCATION

The following is intended to be a form of the Final Written Allocation. The form refers to Exhibits A & B (which are excel spreadsheets). The forms of these Exhibits anticipate that the final allocation will update preliminary estimates contained in "Exhibit A – "Sources and Uses of Funds" that was completed when the bond issue closed.

Exhibit A is an updated sources and uses table – which in most cases should be identical to that prepared at closing and shown on the first page of Exhibit A, except it will include actual investment earnings and slight variations attributable to differences between actual costs and those estimated at closing, etc.

Exhibit B is the allocation of "non-refunding proceeds" to pay the cost of the facility financed with Bond proceeds. The format normally should be the same as that used at closing for the Exhibit A. The Bond Compliance Officer should "update" the anticipated cost of the Project with actual costs incurred. In cases where there are new uses not contemplated when the bond issue closed, those should be added as separate line items.

The remaining pages of Exhibit B should list expenditures of Bond proceeds and other money and, as indicated, normally would include the date paid, person or entity paid, amount of payment, and if available a short description or other available reference to the issuer's accounting records. The total of this detailed list of expenditures should equal the sum of the non-refunding proceeds and other money spent on the project, together with amounts spent for costs of issuance/credit enhancement.

When completing the Exhibit, the Bond Compliance Officer needs to take investment earnings into account. In many cases these amounts would be shown paying interest on the Bonds – assuming the funds were transferred to the debt service funds.

Placed in Service Date – A "project" normally is treated as placed in service when the last component is completed and the collective assets are available for use and actually used for their designed purpose. Thus, it typically is not necessary to have separate placed in service dates for a building and its equipment or even for separate buildings or structures that are part of a single integrated project.

***

Land Clearance for Redevelopment
Authority of Kansas City, Missouri

$[PRINCIPAL AMOUNT] Maximum Principal Amount
Multifamily Housing Revenue Bonds
(Urban 38 Project)
Series 2026

Final Written Allocation

The undersigned is the Borrower Bond Compliance Officer of 38 Euclid, LLC (the "**Borrower**") and in that capacity is authorized to execute federal income tax returns required to be filed by the Issuer and to make appropriate elections and designations regarding federal income tax matters on behalf of the Borrower. This allocation of the proceeds of the bond issue referenced above (the "**Bonds**") is necessary for the Borrower to satisfy ongoing reporting and compliance requirements under federal income tax laws.

Purpose. This document, together with the schedules and records referred to below, is intended to memorialize allocations of Bond proceeds to expenditures for purposes of §§ 141 and 148 of the Internal Revenue Code (the "**Code**"). All allocations are or were previously made no later than 18 months following the date the expenditure was made by the Borrower or, if later, the date the "project" was "placed in service" (both as defined below), and no later than 60 days following the 5th anniversary of the issue date of the Bonds.

Background. The Bonds were issued on [CLOSING DATE] (the "**Issue Date**") by the Land Clearance for Redevelopment Authority of Kansas City, Missouri (the "**Issuer**"). The Bonds were issued in order to provide funds needed to acquire and rehabilitate a project known as Urban 38 Project (the "**Project**"). Proceeds of the Bonds were deposited from time to time into the Project Fund as shown on **Exhibit A** to this Final Written Allocation.

Sources Used to Fund Project Costs and Allocation of Proceeds to Project Costs. A portion of the Project costs was paid from sale proceeds of the Bonds and the remaining portion of the costs of the Project was paid from other money of the Borrower and other sources as shown on **Exhibit A** to this Final Written Allocation.

Identification of Financed Assets. The portions of the Project financed from Bond proceeds are listed on page 1 of **Exhibit B** to this Final Written Allocation.

Identification and Timing of Expenditures for Arbitrage Purposes. For purposes of complying with the arbitrage rules, the Borrower allocates the proceeds of the Bonds to the various expenditures described in the invoices, requisitions or other substantiation attached as **Exhibit B** to this Final Written Allocation. In each case, the cost requisitioned was either paid directly to a third party or reimbursed the Borrower for an amount it had previously paid or incurred. Amounts allocated to interest expense are treated as paid on the interest payment dates for the Bonds.

Placed In Service. The Project was "placed in service" on the date set out on **Exhibit B** to this Final Written Allocation. For this purpose, the assets are considered to be "placed in service" as of the date on which, based on all the facts and circumstances: (1) the rehabilitation of the asset has reached a degree of completion which would permit its operation at substantially its design level; and (2) the asset is, in fact, in operation at that level.

This allocation has been prepared based on statutes and regulations existing as of this date. The Borrower reserves the right to amend this allocation to the extent permitted by future Treasury Regulations or similar authorities.

38 EUCLID, LLC, a Missouri limited liability company

By: **38 EUCLID MANAGING MEMBER, LLC**, a Missouri limited liability company, its Manager

By: **FAIR HOUSING IOWA MISSOURI, LLC**, a Texas limited liability company, its Manager

By ________________________________
Name: Simmie Cooper
Title: Manager

Dated: ____________________

Name of Legal Counsel/Law Firm Reviewing Final Written Allocation:
____
Date of Review: ____

EXHIBIT A
TO FINAL WRITTEN ALLOCATION

ALLOCATION OF SOURCES AND USES

[Insert Spreadsheet]

EXHIBIT B
TO FINAL WRITTEN ALLOCATION

IDENTIFICATION OF FINANCED ASSETS
&
DETAILED LISTING OF EXPENDITURES

[Insert Spreadsheet]

EXHIBIT E

TAX COMPLIANCE PROCEDURE