



EXHIBIT 4D
LCRA 1/25/22

For any project seeking assistance through the following agencies, a completed application form must be provided. Applications will be reviewed by EDC staff to determine the best course of action. Those agencies include: Tax Increment Financing Commission, Land Clearance for Redevelopment Authority, Port Authority, and Planned Industrial Expansion Authority, Chapter 353.

REDEVELOPMENT PROJECT APPLICATION

➤ Application may be submitted electronically

Email completed application to Susan Tumey at stumey@edckc.com, or call at 816-691-2106

If more space is required for response to any question, please attach additional sheet(s).

1. APPLICANT INFORMATION

Applicant/Organization Name: UNI Crescendo, LLC

Business Address: 666 Dundee Road Suite 1102

Contact Person: Todd Lieberman

E-Mail Address: toddl@brinshore.com

Phone: (847) 562-9400 Fax: (847) 562-9401

Address (if different than business address) _____
222 W. Gregory Blvd Suite 323, Kansas City, MO 64114

Attorney for Applicant: James Neeld, Sandberg Phoenix

Attorney's Address: 4600 Madison Avenue, Suite 1000, KCMO 64112

Attorney's Phone: 816.627.5332

2. LOCATION OF THE PROJECT

General Boundaries:

24th to 25th Streets and Highland Avenue.

County: Jackson

Council District: 3rd district

Total Acreage: 3.60

Is the project located in any incentive areas?

Yes, Wendell Phillips URA

State the incentive requested for the project:

15 year tax abatement

What is the current zoning of the project area?

UR

What is the proposed zoning for the project area?

UR

If a zoning change is pending, cite application number and present status. If application has not been made, briefly describe what change will be needed and plans for submitting application:

CD-CPC-2021-00182; Amending UR zoning for project plans. Applicant received
unanimous CPC approval on 12/7/21.

Land Use Plan GDAP: Downtown Res.

Need for Modification

No

3. THE PROJECT

Provide a detailed narrative description of the proposed project, including information as the size of the project, amount of land (property) to be purchased, whether the project is a rehabilitation of existing structure(s), expansion, or the construction of a new facility, residences, etc. Describe what products or services are to be manufactured or provided through this project.

- ☒ New Construction ☐ Rehab/Expansion ☐ Residential ☐ Commercial ☐ Industrial
- ☐ Single Family/Duplex ☒ Multifamily ☐ Retail ☐ Mixed Use ☐ Office

Project includes the construction of 39 new units of affordable housing and a new community building. See attached project narrative for additional project information.

Square footage: 52,149 SF

No. of dwelling units 39

No. of hotel rooms 0

No. of parking spaces 43

List any nationally or locally historical properties and/or districts within the Project Area.

(Contact the City Landmarks Commission at (816) 513-2902 for information regarding local and national historical properties and/or districts)

None known.

Please describe any environmental sustainability features of your project including level of LEED certification (if applicable) and/or any energy efficiency/alternative energy features. (Please note if you are interested in receiving free information from EDC staff on how available energy efficiency programs can reduce your overall project costs.) See also: www.kcpl.com/businessrebates.

Project will meet National Green Building Standard (NGBS) Bronze requirements.

NUMBER OF JOBS

<input checked="" type="checkbox"/> Created	<u>1 FT</u>	Average Salary: <u>\$ varies</u>
<input type="checkbox"/> Retained	<u> </u>	Average Salary: <u>\$</u>
<input type="checkbox"/> Relocated	<u> </u>	Average Salary: <u>\$</u>
<input checked="" type="checkbox"/> Construction jobs	<u>15 FT</u>	Average Salary: <u>\$ varies by role</u>

Projected personal property investment: N/A

Will there be the use of federal or state incentives for this project? Which incentives and how much is being sought?

The project has been awarded \$475,000 in federal and state 4% Low Income Housing Tax Credits. The project will be requesting an increase to \$513,000 due to increases in construction costs.

State the need for an incentive (i.e., competitive pressures of the location, need for remediation of blight in proximity to the Project, addition of jobs to a high unemployment area, etc.)

The project includes income restricted housing for moderate and very low income households. Our financial projections show property tax volatility could lead to operating shortfalls in future years. The owner is unable to increase rents to meet potential operating shortfalls. The proposed abatement will ensure financial feasibility of the project over the compliance period.

4. PROJECT COSTS

Identify the costs reasonably necessary for the acquisition of the site and/or construction of the proposed Project together with any machinery and equipment in connection therewith, including any utilities hook-up, access roads, or appurtenant structures.

Acquisition Price:	<u>\$130,000</u>
Total Development Budget:	<u>\$10,575,194</u>
Current Assessed Value:	<u>N/A</u>
Projected Assessed Value:	<u>N/A</u>

5. CONTROL OF PROPERTY

If the Applicant owns the project site, indicate:

Date of Purchase See attached

Sales Price _____

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

Sales Price \$130,000

Date purchase/option contract signed 9/24/2019

Closing/expiration date _____

If the Applicant will lease the project site, indicate:

Legal Name of Owner N/A

Owner's Address _____

Owner of land upon completion of the Project _____

6. LAND ACQUISITION

For each Project Area, please provide the following:

- A map showing all parcels to be acquired
- Addresses and parcel numbers of all parcels to be acquired
- Current owners of all parcels to be acquired

Is the use of Eminent Domain anticipated? No

7. SOURCES OF FUNDS:

State amount and sources of financing for each Project costs listed above. Please provide commitment letters for any sources received listing terms and conditions.

<u>SOURCE</u>	<u>AMOUNT</u>
See attached.	\$
	\$
	\$
	\$
	\$

8. DEVELOPMENT TEAM

Identify members of the development team and provide evidence of experience with other development projects.

Brinshore Development, LLC and Urban Neighborhood Initiative, Inc. are co-developers.

Please see attached narrative for development team experience.

9. FINANCIAL INFORMATION - *Attached*

- A. Budget – include a detailed breakdown of all hard and soft costs
- B. Complete list of sources and uses of funds (indicate if you have received tax credits and secured other financing)
- C. 10 year operating pro forma
 - One that shows the project without any incentive assistance
 - One that shows the project with requested incentive

The Pro forma should also include assumptions such as estimated lease rates, revenue assumptions, and expense assumptions.

- D. If seeking TIF assistance, provide projections for PILOTS and EATS.
- E. If seeking TIF or Chapter 100 assistance, provide a personal property depreciation and replacement schedule.
- F. Financing Term Sheet

10. BOND FINANCING

Bond Financing is handled on a case-by-case basis.

11. REQUIRED ATTACHMENTS

- **Attachment A** A map showing the boundaries of the project.
- **Attachment B** A development schedule for the project, including the phasing of development and the locations and improvements to be accomplished in each phase.
- **Attachment C** Design plans for the project (including site plans & elevations), if available.
- **Attachment D** Letter(s) of Support from one or more of the following: councilpersons, mayor, county official, state representative, state senator, local taxing entities, and/or neighborhood organization(s).

13. BANKRUPTCY DISCLOSURE:

Has the applicant or any parent, subsidiary or business entity otherwise affiliated with the applicant, ever filed a petition for bankruptcy or appointed a receiver? If Yes, the applicant must obtain and file a "Statement of Bankruptcy/Receivership."

☒ No ☐ Yes

FEES WILL BE CALCULATED AND COLLECTED AT A FUTURE DATE.

12. CERTIFICATION OF APPLICANT:

The undersigned hereby represents and certifies that to the best of their knowledge and belief this project application contains no information or data that is false, incorrect or misleading.

NAME: Todd Lieberman

SIGNATURE: 

TITLE: EVP, Brinshore Development, LLC

APPLICATION MAY BE EMAILED TO: stumey@edckc.com or

MAIL COMPLETED APPLICATION TO: **Economic Development Corporation**
Attn: Susan Tumey
300 Wyandotte, Suite 400
Kansas City, Missouri 64105

FOR INTERNAL USE ONLY

Assistance Project will be evaluated for which financial analysis:

☐ TIF

☐ PIEA/Chapter 353

☐ LCRA

☐ Chapter 100

Comments:

Advance KC Project Inquiry Meeting Date: _____ Score Card Value: _____
Financial Analysis Review Committee: _____

9. Financial Information

- A. Development Budget
- B. Sources and Uses of funds
- C. 10-year Operating Pro Forma
 - 1. 10-Year Operating Pro Forma (without Incentive)
 - 2. 10-Year Operating Pro Forma (with Incentive)
 - 3. Operating Expenses
 - 4. Rental Revenue
- D. Projections for PILOTS and EATS – *Not Applicable*
- E. Personal Property Depreciation and Replacement Schedule – *Not Applicable*
- F. Financing Term Sheet

9A. Development Budget

BRINSHORE

Total Units

39

	Subtotals	Amount
Acquisition Costs	\$130,000	
Land		130,000
Hard Costs	\$8,531,250	
Residential Construction Costs		8,125,000
General Conditions	Included in Construction Costs	-
Overhead	Included in Construction Costs	-
Profit	Included in Construction Costs	-
Owner Hard Cost Contingency		406,250
Other Construction Costs	\$158,500	
FF&E		30,000
Security		20,000
Construction Period Insurance		50,000
Construction Period Taxes		5,000
Construction Lender Inspection		40,000
MHDC Construction Inspection Fee		13,500
Soft Costs	496,000	
Architecture - Design		158,000
Architecture - Const. Supervision		39,500
Engineering		60,000
Soils Report		15,000
Surveys		20,000
Appraisal		6,500
Market Study		10,000
Physical Needs Assessment		-
Accountant's Fee		10,000
Legal - Construction		35,000
Legal - Permanent		10,000
Legal-Organization		5,000
Environmental Study		10,000
Zoning & Other Municipal Fees		15,000
City/Abatement Fees		40,000
Marketing and Leasing	Included in Lease Up Reserve	-
Title & Recording Fees - Construction		20,000
Title & Recording Fees - Post Construction		5,000
Radon/Green Consultant		20,000
Construction Cost Review		5,000
Construction Certification		10,000
MHDC HOME Environmental Review		2,000
Financing Costs	334,944	
Construction Loan Origination		44,915
Construction Period Interest		134,532
Perm Loan Origination		12,750
Loan Origination Fee		43,160
Lender Legal		10,000
Bond Counsel		20,000
Borrower Counsel		7,500
Issuer Fees		10,000
Trustee Fees		2,500
LIHTC Application Fees		750
LIHTC Allocation		36,976
LIHTC Monitoring Fee		11,700
LURA		160
Reserves and Escrows	\$204,500	
Initial Lease-Up Reserve		25,000
Real Estate Tax Escrow		250
Insurance Escrow		5,850
Operating Reserves		150,000
Replacement Reserve		23,400
Developer Fee	\$720,000	
Developer Fee		720,000
TOTAL		\$10,575,194

9B. Sources & Uses

BRINSHORE

Construction Sources

Source Description	Amount During Construction	Interest Rate
Construction Loan	6,910,000	3.00%
HOME	800,000	0.00%
Federal LIHTC Equity	1,188,409	0.00%
State LIHTC Equity	871,587	0.00%
TOTAL	9,769,996	

Permanent Sources

Source Description	Amount	Interest Rate	Amort (years)
First Loan	1,275,000	3.00%	30
HOME	800,000	0.00%	0
Federal LIHTC Equity	4,753,636		
State LIHTC Equity	3,486,348		
Deferred Developer Fee	260,110		
General Partner Equity	100		
TOTAL	\$10,575,194		

Uses

See attached Development Budget for detailed breakdown of Uses totaling \$10,575,194

9C.1 10-Year Operating Pro Forma (without Incentive)

BRINSHORE

UNI Phase I Crescendo

	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
	1	2	3	4	5	6	7	8	9	10
Income										
Annual Escalation: 2%										
Residential Income	341,160	347,983	354,943	362,042	369,283	376,668	384,202	391,886	399,723	407,718
Vacancy: 7%	(23,881)	(24,359)	(24,846)	(25,343)	(25,850)	(26,367)	(26,894)	(27,432)	(27,981)	(28,540)
Total	\$317,279	\$323,624	\$330,097	\$336,699	\$343,433	\$350,301	\$357,307	\$364,454	\$371,743	\$379,178
Operating Expenses										
Annual Escalation: 3%										
Administrative	42,500	43,775	45,088	46,441	47,834	49,269	50,747	52,269	53,837	55,453
Professional Fees	8,000	8,240	8,487	8,742	9,004	9,274	9,552	9,839	10,134	10,438
Operations & Maintenance	95,100	97,953	100,892	103,918	107,036	110,247	113,554	116,961	120,470	124,084
Utilities	35,200	36,256	37,344	38,464	39,618	40,806	42,031	43,292	44,590	45,928
RE Taxes: 3%	17,500	18,025	18,566	19,123	19,696	20,287	20,896	21,523	22,168	22,834
Other Tax & Insurance	19,650	20,240	20,847	21,472	22,116	22,780	23,463	24,167	24,892	25,639
Management Fees: %	14,976	15,425	15,888	16,365	16,856	17,361	17,882	18,419	18,971	19,540
Reserves: 3%	11,700	12,051	12,413	12,785	13,168	13,564	13,970	14,390	14,821	15,266
Total	\$244,626	\$251,965	\$259,523	\$267,309	\$275,328	\$283,588	\$292,096	\$300,859	\$309,885	\$319,181
check	0									
Net Operating Income	\$72,653	\$71,660	\$70,573	\$69,390	\$68,104	\$66,713	\$65,212	\$63,595	\$61,858	\$59,996
Debt Service 1	64,940	64,940	64,940	64,940	64,940	64,940	64,940	64,940	64,940	64,940
DCR 1*	1.12	1.10	1.09	1.07	1.05	1.03	1.00	0.98	0.95	0.92
Cash Flow	\$7,713	\$6,720	\$5,634	\$4,450	\$3,165	\$1,773	\$272	(\$1,345)	(\$3,082)	(\$4,943)
Deferred Fee										
Begin Balance	260,110	252,396	245,676	240,043	235,593	232,428	230,655	230,383	231,728	234,810
Paid	7,713	6,720	5,634	4,450	3,165	1,773	272	(1,345)	(3,082)	(4,943)
End Balance	252,396	245,676	240,043	235,593	232,428	230,655	230,383	231,728	234,810	239,754
Net Cash Flow	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

*Without the incentive, the DCR is below required rate

BRINSHORE

	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
	1	2	3	4	5	6	7	8	9	10

Annual Escalation: 2%

Operating Expenses

Annual Escalation: 3%

[illegible]

9C.3 Operating Expenses

BRINSHORE

UNI Phase I Crescendo

Amount	
Administrative	
Administrative / Manager Payroll	34,000
Office Expense	2,000
Telephone / Cell	2,000
Staff Professional Development	500
Advertising & Marketing	2,000
Bad Debts	2,000
Professional Fees	
Legal	8,000
Operations & Maintenance	
Operating & Maintenance Payroll	21,000
Security Salaries and Contracts	5,000
Pest Control/Extermination	1,800
Trash / Recycling Removal	7,000
Snow Removal	3,800
Landscaping & Grounds Upkeep	7,000
Tools and Equipment	1,000
O&M Supplies	2,500
Repairs	4,000
Heating and Cooling Repair	5,000
Painting, Decorating & Flooring - Common Space	4,000
Painting, Decorating & Flooring - Units	3,000
Supportive Services	30,000
Utilities	
Electricity	9,000
Water	12,500
Sewer	12,500
Cable T.V./Internet Access	1,200
Taxes & Insurance	
Real Estate Tax (abatement assumed)	500
Property & Liability Insurance	19,500
Fidelity Bond	150
Management Fees	
Property Management Fee	14,976
Reserves	
Replacement Reserve	11,700
TOTAL OPERATING EXPENSES	\$227,626

0

9C.4 Rental Revenue

UNI Phase I Crescendo

BRINSHORE

Rent Schedule

% AMI	# BR	# Units	# Bath	Net Rent	Utility Allowance	Gross Rent	Monthly Income	Annual Income
30%	1BR	2	1	355	119	474	710	8,520
30%	2BR	2	1	410	157	567	820	9,840
30%	3BR	2	2	455	202	657	910	10,920
40%	1BR	1	1	410	119	529	410	4,920
40%	2BR	1	1	490	157	647	490	5,880
40%	3BR	2	2	600	202	802	1,200	14,400
50%	1BR	1	1	500	119	619	500	6,000
50%	2BR	2	1	600	157	757	1,200	14,400
50%	3BR	4	2	700	202	902	2,800	33,600
60%	1BR	3	1	675	119	794	2,025	24,300
60%	2BR	3	2	825	157	982	2,475	29,700
60%	3BR	7	2	925	202	1,127	6,475	77,700
70%	1BR	2	1	725	119	844	1,450	17,400
70%	2BR	1	1	900	157	1,057	900	10,800
70%	3BR	2	2	1,050	202	1,252	2,100	25,200
80%	1BR	1	1	775	119	894	775	9,300
80%	2BR	1	1	950	157	1,107	950	11,400
80%	3BR	2	2	1,120	202	1,322	2,240	26,880
				0			-	-
TOTAL		39						341,160

May 13, 2021

Mr. Todd Lieberman
Crescendo Apartments
222 W Gregory Blvd,
Kansas City, MO 64114

Re: Crescendo Apartments
Kansas City, MO
39 Units

Dear Mr. Lieberman:

The Richman Group Affordable Housing Corporation ("TRG") is the sponsor of investment partnerships which provide equity capital for multi-family apartment complexes that are eligible for low-income housing tax credits ("Low-Income Housing Tax Credits") pursuant to Section 42 of the Internal Revenue Code of 1986 (the "Tax Code") by investing in limited partnerships and/or limited liability companies that own such apartment complexes.

You have advised us that an affiliate of Brinshore Development, LLC has formed UNI Crescendo Manager, LLC, a single purpose Missouri limited liability company, (the "Managing Member") to be the Managing Member of UNI Crescendo, LLC, single purpose Missouri limited liability company (the "Company"), which intends to construct a new multi-family apartment complex located in Kansas City, Missouri (the "Apartment Complex").

TRG is pleased to provide you with this letter of intent for the acquisition by an affiliated investor member which will be sponsored by TRG ("Investor"), of a 99.99% membership interest in the Company, subject to the terms and conditions hereof. Upon the execution of this letter and receipt of a valid allocation of Low- Income Housing Tax Credits, TRG will commence its due diligence review. Only upon (i) the receipt of final investment committee approval, (ii) negotiation and execution of documentation acceptable to both parties and (iii) receipt of opinions of counsel (including corporate, tax and real estate) acceptable to the Investor, will the parties execute an amended and restated operating agreement of the Company in the Investor's standard form (the "Operating Agreement"), admitting the Investor to the Company. Subject to standard due diligence and the review of current financial statements, it is anticipated that the Brinshore Development, LLC (the "Guarantor") will guarantee the Managing Member's obligations to the Investor.

1. Financing: Financing of the Apartment Complex will be subject to Investor approval. You have informed us or we have assumed that the Apartment Complex will receive:

- a) a construction loan from an institutional lender in the amount of \$6,713,840 ("Construction Loan") with an interest rate of 2.10% for a term of 24 months which will be fully retired upon stabilization;
- b) a first mortgage loan from an institutional lender which is funded upon stabilization and retirement of the Construction Loan in the amount of \$1,395,000 ("Permanent 1st Mortgage Loan") with an interest rate not to exceed 3.0% per annum for a term of 18 years and payments based on a 30 year amortization schedule (rate to be locked at closing);
- a) a subordinate loan from Missouri Housing Development Commission in the amount of \$800,000 for a term of not less than 40 years, with an interest rate of 2.15% per annum compounding (estimated applicable long term federal rate) with payments based on cash flow;
- b) the sale of Missouri State Housing credits through a third party which will raise \$3,115,800 in proceeds (which is structured as either a soft loan or as a capital contribution in a manner

acceptable the Investor) which is fully advanced upon repayment of the Construction Loan and the subsequent funding of the Permanent 1st mortgage Loan. Any grant income recognition by the Company (if any) will be specially allocated to the Managing Member.

To the extent that a change in the financing structure changes the amount of Low-Income Housing Tax Credits or tax losses, then capital contributions will be adjusted accordingly. The Managing Member must deliver any required approval of the admission of the Investor to the Company prior to such admission (the "Closing"). The preparation, filing and processing of such application and all costs and expenses thereof, shall be the sole responsibility of the Managing Member and/or the Company. All loan documents shall provide that notices of default and foreclosure shall be sent to the Managing Member, as well as to the Investor.

Capital Contributions of the Investor: The "Capital Contribution" as set forth below reflects current market conditions. The Capital Contributions may be adjusted to reflect the market conditions at the time of closing. Subject to the terms and conditions set forth herein and in the Operating Agreement, the Investor will make capital contributions to the Company in the total amount of \$4,247,575 (the "Capital Contribution") which equates to a price per credit of \$0.90 for the Federal LIHTC. The Capital Contributions are based on 100% of the depreciable project costs will qualify for 30 year or MACRS depreciation methodologies (whichever is appropriate for the asset type) and that any non-profit participation in the ownership structure will make the 168h election as a condition to initial closing.

Installment No. 1 (estimated to occur in January 2022): \$849,515 (20%)

Either (a) paid at Closing or (b) paid in monthly installments on a draw basis as needed for development costs incurred.

Installment No. 2, No Earlier Than January 1, 2023: \$2,548,545 (60%)

Paid upon the latest of the following:

- (i) 100% completion of construction of the Apartment Complex and receipt of certificates of occupancy for all units;
- (ii) Preliminary Low-Income Housing Tax Credit certification;
- (iii) Receipt of a payoff letter from the contractor for the Apartment Complex (the "Contractor") which states that upon receipt of Installment No. 2 the construction contract will be paid in full by the Installment No. 2 or the Contractor will defer any amounts owed to it until receipt of Installment No. 3;
- (iv) Receipt of an estoppel letter from each lender to the Company;
- (v) Receipt of certificates of insurance complying with the requirements described herein; and
- (vi) No earlier than January 1, 2023

Installment No. 3, No Earlier Than July 1, 2023 \$637,136 (15%)

- (i) Paid upon the achievement of 93% occupancy by tenants who qualify under Section 42 and who are paying rents (net of any concessions) at amounts which are at least equal to those set forth in the closing projections;
- (ii) Receipt of all environmental remediation documentation as required by local, state and federal requirements (if any);
- (iii) Receipt of an estoppel letter from each lender to the Company;
- (iv) Repayment of the Construction Loan and funding of Permanent 1st Mortgage Loan; and,

- (v) Achievement of "Breakeven Operations" (as defined below) and all conditions to the full funding of all project loans so that full repayment of the construction loan can occur and achievement of Final Closing (at a 1.15 debt service coverage ratio for 3 months);
- (vi) Receipt of Recorded Extended Use Agreement;
- (vii) Receipt of the initial income qualification tenant files satisfactory to the Investor for 100% of the units;
- (viii) Receipt of final Low-Income Housing Tax Credit certification; and
- (ix) No earlier than July 1, 2023.

Installment No. 4, No Earlier Than November 1, 2023

\$212,379 (5%)

Paid upon the latest of the following:

- (i) Receipt of form 8609; and
- (ii) No earlier than November 1, 2023.

Total Equity to Company (excluding amounts payable under Section 16 below):

\$4,247,575

Installment No. 3 will only be released upon the achievement of Breakeven Operations. "Breakeven Operations" is generally defined as the earlier of the following: (i) the date upon which income from the normal operation of the Apartment Complex, received on a cash basis, for each of three (3) consecutive calendar months after permanent mortgage loan closing less all mandatory debt service payments for each month, exceeds all accrued operational costs for each month or, if the above is not verifiable for such three (3) month period, (ii) the date upon which income from the normal operation of the Apartment Complex (as reported under GAAP) equals or exceeds all operational costs (as reported under GAAP), as evidenced by an audited financial statement for a 12 month period prepared by the accountants of the Company. In addition, Breakeven Operations shall not have occurred unless, at the end of such three (3) month period, the Company shall have (i) sufficiently funded segregated reserves to pay one (1) year's property insurance premiums (minus any prepaid premiums on the existing insurance policy) and the next full installment of real estate taxes payable (minus any prepaid taxes with respect to such installment) and (ii) liquid assets not committed to the payment of any other expense or reserve fund in an amount sufficient to pay (a) one (1) month's mandatory debt service payment plus (b) any other accrued unpaid expenses.

2. Adjuster Clause: The Capital Contribution amount stated above is based upon your projection of an annual amount of Low-Income Housing Tax Credits of \$472,000 ("LIHTC") which in turn is based upon certain of the assumptions and projections stated herein. The actual amount of Low-Income Housing Tax Credits may in fact change after the determination of eligible and qualified basis. Accordingly, the Capital Contribution may be adjusted when (i) final projections of the amount of Low-Income Housing Tax Credits are completed and/or (ii) upon or after actual completion of the Apartment Complex. Such determination will be made by no later than 4th Capital Contribution. To the extent such final projected amount of Low-Income Housing Tax Credits varies from the LIHTC, the Capital Contribution will be adjusted as set forth in the following paragraph and as will be more particularly set forth in the Operating Agreement.

If the final amount of Low-Income Housing Tax Credits ("Final LIHTC") is greater or less than the LIHTC then the Capital Contributions shall be adjusted so that the ratio of the capital contribution attributable to the Low-Income Housing Tax Credits divided by the Final LIHTC allocable to Investor is equal to 90.00% ("LIHTC Ratio"). Any upward adjuster will be capped at 5% of the aggregate amount of the initial Capital Contributions (the "Adjuster Cap"). However, in the case of an increase; such increase in capital contribution will take place only if the Investor has funds available, which are not committed otherwise. If the Investor does not have funds available to pay for the higher Low-Income Housing Tax Credits, then the Investor's interest in the Company will be adjusted downward

accordingly, but in no event below a 90% interest. TRG may in its discretion endeavor to cause an affiliated investment partnership to purchase an interest in the Company, but shall have no liability if it is unable to do so.

3. Timing Differences: In the event that if the actual Final Reported Credit for 2022 is less than 8.63% of the LIHTC or for 2023 is less than 100% of the LIHTC (or LIHTC as adjusted pursuant to paragraph 2 above) then the Capital Contribution of the Investor to the Company shall be either increased or decreased (a "Timing Change"), by an amount sufficient to maintain an Internal Rate of Return to the Investor equal to a to be determined percentage; such adjustment to be based upon the methodology set forth on Attachment A (assuming for this purpose that (i) the amount and timing of projected losses and Managing Member deductions and (ii) the timing of the Capital Contributions will be fixed at the amounts shown in the projections attached to the Operating Agreement). In the event that the Timing Change exceeds the then unpaid Capital Contribution of the Investor, the Managing Member shall pay to the Investor, immediately upon demand, the amount by which the Timing Change exceeds such then unpaid Capital Contributions. The combined sum of any upward equity adjustment under Sections 3 and 4 shall be capped at 5% of the original underwritten Capital Contribution.

4. Cash Flow Distributions: Cash flow of the Company after expenses and debt service will be distributed, to the extent available, according to the following priority:

- First: to pay any credit adjuster due;
- Second: a priority distribution to the Investor in the amount of \$5,000 annually;
- Third: to replenish the Operating Reserve to the original amounts as set forth in Section 7E below;
- Fourth: to pay any deferred development fee to the Managing Member; followed by any remaining cash flow to partner loans;
- Fifth: to pay 90% of the remaining cash flow as an incentive management fee to the Managing Member;
- Sixth: remaining amounts split 99.99% to the Investor, .01% to the Managing Member.

5. Right of First Refusal/ Purchase Option: Commencing at the end of the 15-year compliance period and for a 3-year period, a qualified non-profit, designated by the Managing Member, will be granted a right of first refusal to purchase the Apartment Complex. The purchase price shall be the minimum purchase price as set forth in Section 42(i) (7)(B) of the Internal Revenue Code. In addition, during the 3-year period commencing at the end of the 15-year compliance period, the Managing Member or its designee shall have an option to purchase the Apartment Complex at the fair market value assuming the debt and taking into account the affordability restrictions on the Apartment Complex. Unpaid credit adjusters and recapture or priority distributions to the Investor will be included as an increase in the purchase price.

6. Sale or Refinance: Upon the sale of the Apartment Complex or a refinancing of the permanent mortgage loan, proceeds will generally be allocated in accordance with the following priority:

- First: Expenses of the sale and refinancing and satisfaction of underlying financing plus any other third-party obligations and debts followed by any amounts due the Investor;
- Second: Return of the outstanding balance of any operating deficit loans previously made by the Managing Member (See Guarantees); and
- Third: Balance of proceeds split 10% to the Investor, 90% to the Managing Member.

Notwithstanding the foregoing provisions of this Section 6, at the time of distribution of proceeds under this section, the amount distributed shall be adjusted such that the total amount of Net Cash Flow and proceeds from sale and liquidation distributed to the Investment Partner over the life of the Partnership equals 10% of all amounts distributed cumulatively under Section 4 and this Section 6.

7. Guarantees: The Guarantor shall guarantee the obligations of the Managing Member under the Operating Agreement including, without limitation, the following (during the initial 15 year compliance period the Guarantor shall maintain liquidity of at least \$1,500,000 and net-worth of at least \$5,000,000 at all times):

(A) Against recapture of the Low-Income Housing Tax Credits for 15 years except for recapture caused by (i) subsequent changes in the Tax Code or (ii) transfers of the Investor's interest in the Company.

(B) The payment in full of all costs and expenses of the construction of the Apartment Complex in excess of the proceeds of all the construction period sources of funds and any operating deficits prior to the achievement of Breakeven Operations.

(C) To fund operating deficits for a five (5) year period (the "Operating Deficit Period") from the later of Breakeven Operations or funding of the permanent mortgage loan up to a maximum amount of \$145,751 which is sized to six months of operating expenses, replacement reserve and debt service (the "Operating Deficit Guaranty"). The funding of said operating deficits shall be treated as noninterest bearing loans to the Local Partnership repayable from Cash Flow as provided in paragraph five (5) above. The Operating Deficit Period shall be deemed extended until (x) the Managing Member has provided the Investor with evidence that the Partnership has sufficient cash reserves to pay any accrued expenses as of the expiration of the Operating Deficit Period and (y) the Apartment Complex has achieved the "DSC Requirement" as hereinafter defined. The "DSC Requirement" means that the Apartment Complex has demonstrated a debt service coverage ratio of 1.15:1 for years four and five of the Operating Deficit Period. If the Apartment Complex has not demonstrated a 1.15:1 debt service coverage for such years, the Operating Deficit Period will be extended until the Apartment Complex demonstrated a 1.15:1 debt service coverage for two consecutive years. For purposes of the Operating Deficit Guaranty, the term "Operating Deficits" shall include amounts withdrawn from the reserve for replacements during such five (5) year period. Further, during the Operating Deficit Period, operating deficits may be first funded from the funded operating reserve, provided that the operating reserve amount is replenished to \$145,735 at the expiration of the Operating Deficit Period. Notwithstanding anything to the contrary contained hereinabove, the Guarantors shall not be obligated to fund operating deficits to the extent that the outstanding aggregate principal amount of such operating deficit loans would exceed the maximum Operating Deficit Guaranty amount. A further assurance will be an agreement by the managing agent for the Apartment Complex, typically the Managing Member or an affiliate, (the "Managing Agent") to (i) defer and accrue its management fee, if necessary, to prevent a default under the permanent mortgage loan and (ii) to defer its fee to the extent necessary to avoid an Operating Deficit. If the Managing Agent elects not to defer its fee pursuant to subparagraph (ii) above, it must send a notice to the Managing Member and the Investor offering to resign. If no such notice is sent, the Managing Agent will be deemed to have ratified its agreement to defer its fee. If a notice is sent refusing to defer its fee, such refusal shall be grounds for removal of the Managing Agent.

(D) Repurchase of the Investor's interest in the Partnership by payment to the Investor of the full amount of the gross Capital Contribution paid to such date, if the General Partner fails to (i) place the Apartment Complex in service by December 31, 2023, (ii) complete Final Closing by June 30, 2024, (iii) achieve at least 70% of the aggregate projected LIHTC as set forth herein or (iv) achieve Breakeven Operations within 8 months of Substantial Completion (to be defined in the Partnership Agreement) of the Apartment Complex.

(E) The Company shall fund an operating reserve in the amount of \$145,751 (the "Operating Reserve") prior to or out of Installment No. 3. The Operating Reserve has been sized as 6 months of underwritten Operating Expenses, Debt Service and Reserves. Any portion of the reserve not controlled by the state housing agency shall be jointly controlled by the Managing Member and the Investor and shall only be used to fund operating deficits. Upon the earlier of the end of the initial 15-year compliance period or the disposition of the property, any remaining funds in the Operating Reserve shall be released pursuant to Section 5. Withdrawals from the Operating Reserve shall be limited to \$9,716 per annum during the Operating Deficit Guaranty period with catch up withdrawals permitted on a cumulative basis. Furthermore, withdrawals during the Operating Deficit Guaranty period shall not reduce the Managing Member's obligations under 7C.

(F) To establish a replacement reserve of \$23,400 for the benefit of the Apartment Complex during the permanent period out of the proceeds of Installment No. 3 which will be held by the Lender as the permanent 1st mortgage lender.

(G) To establish a tax and insurance escrow of \$7,100 for the benefit of the Apartment Complex during the permanent period out of the proceeds of Installment No. 3 which will be held by the Lender as the permanent 1st mortgage lender.

(H) To establish a lease-up reserve of \$25,000 for the benefit of the Apartment Complex during the permanent period out of the proceeds of Installment No. 3 which will be held by the Lender as the permanent

1st mortgage lender.

8. Representations and Warranties: The Managing Member shall provide the representations and warranties to the Investor more particularly set forth in the Operating Agreement and currently has no basis to believe that such representations and warranties cannot be given at Closing. The Managing Member shall be obligated to recertify to the continued truth and accuracy of such representations and warranties at the time of each installment of capital contributions.
9. Duties and Obligations: The Managing Member shall be obligated to assume the duties and obligations as are set forth in the Operating Agreement.
10. Legal Opinions: The Managing Member shall cause the attorneys for the Company to provide the legal opinions more particularly set forth in the Operating Agreement.
11. Sale or Conversion: Beginning 15 years from the date of the closing of the permanent mortgage loan, if the Investor requests the Managing Member to sell the Apartment Complex, the Managing Member will consent, provided such sale meets the approval of the lender and applicable tax credit agency. In the event the Managing Member does not consent to a sale at that time, the Managing Member will be granted an option to purchase the Apartment Complex at fair market value (as restricted by the uses mandated by the lender and the Tax Credit Agency). In the event that the Managing Member chooses not to exercise this purchase option, the Investor shall reserve the right to: (i) sell its interest in the Company to the Managing Member for \$1 or (ii) transfer its membership interest in the Company to an affiliated entity.
12. Accountants and Financial Reporting: The "Accountants" for the Company shall be The Reznick Group or such other firm acceptable to the Investor. Financial information will be required to be submitted to the Investor by the 30th day after the end of each quarter, for the first three calendar quarters of each year. Such financial information may be unaudited and may be prepared by the Managing Agent. Annual audited financial statements and tax information will be required to be submitted to the Investor by the Managing Member by February 15 of each year.
13. Removal Rights: The Investor shall have the right to remove the Managing Member for cause as will be set forth in the Operating Agreement. No removal right without cause shall exist.
14. Indemnity: In the Operating Agreement the Managing Member shall indemnify Investor and its officers, directors and affiliates for any untrue statement of a material fact or omission to state a material fact necessary to make any such statements, in light of the circumstances under which they were made, not misleading, by the Managing Member or their agents set forth in any document delivered by the Managing Member or their agents in connection with the acquisition of the Apartment Complex, the investment by the Investor in the Company and the execution of the Operating Agreement.
15. Reserve Requirements: The Company will be required to make an annual minimum deposit to a reserve for replacements in an amount equal to the greater of (i) \$300 per unit per year increasing annually by the CPI, or (ii) the amount utilized in the underwriting of the mortgage loans by the lenders. The Investor may require that additional reserves be funded to cover potential cash deficiencies. The Operating Deficit Guaranty shall be increased by amounts withdrawn from the reserve for replacements during the Operating Deficit Period.
16. Due Diligence: TRG and the Investor will have the opportunity to perform, and you and your professionals will assist us in, the customary due diligence necessary in the acquisition of the Apartment Complex and of the investment by Investor in the Partnership. As a condition of closing, the Partnership shall provide the Investor information reasonably requested by the Investor, including without limitation, (i) market rental information, proving that the projected rents will be achieved and the rent up will occur within a reasonable absorption period, (ii) engineering report by an engineer acceptable to the Investor and (iii) a Phase 1 environmental report. Additionally, approval of this transaction is subject to Investor satisfaction and completion of due diligence (including site visit, review, and investment committee approval), and receipt by the Partnership of a Low-Income Housing Tax Credits reservation or allocation approval from the appropriate state or local agency. Initial Closing is conditioned upon the 2019 allocation being swapped for a 2020 allocation.
17. Title Insurance: The Managing Member shall provide, at Company expense, title insurance in favor of the Company in an amount not less than the sum of (i) all mortgage loans, and (ii) the amount of the Capital Contribution with only those exceptions as may be approved by Investor.

19. Execution of Operating Agreement: As a condition to the Closing, the Managing Member will execute the Operating Agreement and any related documentation necessary to complete the transaction and the Guarantor must execute the Guaranty.

20. Hazard and Liability Insurance: As a condition to receipt of Installment No. 1 of Capital Contributions, the Company shall deliver evidence of hazard insurance from carriers acceptable to the Investor, in an amount equal to the replacement cost of the apartment improvements. The hazard insurance must include endorsements for inflation adjustment and code upgrade coverage. Liability insurance shall be in the amount of not less than \$5,000,000.

21. Escrows: To the extent not required by any mortgage lender, the Company shall maintain funds in a segregated escrow account, in an amount sufficient to pay all real estate taxes and insurance premiums when due.

22. Payment and Performance Bond or Letter of Credit: The Contractor shall provide one of the following (i) payment and performance bonds in form and substance satisfactory to Investor, in the full amount of the general contract naming the Company as obligee issued by a bonding company acceptable to Investor (ii) a letter of credit in the amount of not less than 15% of the general contract issued by a bank acceptable to Investor or (iii) a guarantee of the Contractor (or its principal) with a net worth of not less than \$5,000,000.

23. Brokers. Any fees due to any broker involved in this transaction will be the responsibility of the Managing Member. By executing this letter of intent, you represent and warrant that no broker has been involved in the negotiations among the Managing Member, its principals and TRG. You further acknowledge and agree that neither TRG nor the Investor shall be responsible for the payment of any brokerage fees in connection with the Investor's investment in the Project unless otherwise specifically agreed to in writing by TRG.

24. Management Agent: It is understood that the Management Agent will be a firm with substantial demonstrated satisfactory experience managing LIHTC, RAD and other mixed income housing. The Management Agent will need to be adequately insured and in good standing with local, state and federal requirements. The Management Agent will be permitted to collect an initial fee of \$32 per unit per month with future increases subject to CPI. A complete set of obligations for the Management Agent as required by the Investor shall be identified in the Operating Agreement.

25. Development Fee: The Managing Member will be permitted to earn a development fee up to \$720,000 (or as permitted by any applicable agency) of which the underwritten cash portion of the development fee is \$582,330 and the underwritten deferred portion is \$137,670. The Managing Member will be permitted to pay the cash portion of the development fee as outlined below ("Base Scenario").

a. Upon the satisfaction of the conditions of Installment No. 1:	\$145,583 (25.00%)
b. Upon the satisfaction of the conditions of Installment No. 2:	\$145,583 (25.00%)
c. Upon the satisfaction of the conditions of Installment No. 3:	\$78,786 (13.53%)
d. Upon the satisfaction of the conditions of Installment No. 4:	\$212,379 (36.47%)

In the event the development budget for the Apartment Complex changes prior to Closing, then the permitted schedule of cash development fee payments may be revised provided the same percentages outlined above are maintained and provided further the development budget has been updated to reflect the then current sources and uses (i.e. the projected cash development fee is updated based on all then known project sources and uses including updates for any project savings or increases in development expenses and any change in project sources).

If the above is acceptable to the Managing Member, please execute a copy of this letter and return it to the Investor. In the event that Investor is not in receipt of an executed copy of this letter within thirty (30) days, this letter shall be considered withdrawn and shall be of no further force or effect.

Upon the Investor's receipt of a fully executed copy of this letter, the Investor will commence the necessary action to deliver to you a copy of the proposed Operating Agreement and you shall be bound by all of the terms and provisions hereof. If prior to the expiration of the due diligence period Investor agrees to proceed with the transaction, but notwithstanding such agreement, the Managing Member (i) fails to negotiate the Operating Agreement or other closing documents in good faith and/or (ii) offers the membership interest contemplated hereby to a third party, then the Managing Member shall be obligated to reimburse Investor and/or TRG for all

fees, costs and expenses incurred by Investor and/or TRG in connection with this transaction, including without limitation, all legal fees and disbursements, engineering and other professional fees, site inspection fees, market study fees, appraisal fees, background investigation costs, and other due diligence costs and expenses.

The Closing of the acquisition of the membership interest is anticipated utilize a proprietary investment fund which is subject to the availability of funds. The Capital Contributions set forth in Paragraph 2 above may be recalculated or changed prior to the Closing to reflect rising interest rates or other changing market conditions and the Investor's then – current yield requirements. This letter shall be governed by and construed in accordance with the internal laws of the State of Connecticut. This agreement shall not create any liability on the part of TRG or the Investor. All rights and obligation of the Investor shall be set forth in the Operating Agreement and shall not be binding on the Investor until the Investor delivers a fully executed copy of the Operating Agreement to the Managing Member.

Notwithstanding anything to the contrary contained herein, the provisions of this letter represent the entire understandings of TRG, the Investor, the Managing Member and/or the Company with respect to the matter hereof, and all prior understandings, agreements and representations with respect thereto whether written or oral are superseded hereby and merged herein. None of the provisions of this letter may be waived or modified unless such waiver or modification is in writing and signed by the parties hereto and approved by TRG's counsel. No oral agreements shall ever be binding on TRG and/or the Investor.

Sincerely,

The Richman Group Affordable Housing Corporation

By: 

Jason Wilber
Executive Vice President

Agreed to and accepted as of



5/13/2021

By the undersigned

Todd Lieberman, Authorized Signatory

5/13/2021

VIA EMAIL

Todd Lieberman
Brinshore Development
222 W Gregory Blvd
Kansas City MO 64114

RE: Proposal for Crescendo, consisting of 39 rental units located in Kansas City, Missouri (“Proposed Development”)

Dear Mr. Lieberman:

Sugar Creek Capital (“Sugar Creek”) is pleased to provide this proposal (the “Proposal”) for an entity managed by Sugar Creek Realty LLC (the “State LP”) to acquire a limited partner interest in the partnership (the “Partnership”) owning the Proposed Development and an allocation of 100% of the Missouri Low-Income Housing Tax Credits (“State Credits”) to be generated by the Proposed Development.

Based on information you have provided, the State LP will conditionally commit to providing equity up to the amount of Total Equity in the Project Summary below. The State LP’s investment in the Partnership is to be made in consideration of and expectation of several benefits, including, but not limited to: up to a 1.0% interest in the Partnership (including up to 1.0% of profits from operations, up to 0.01% of losses and Federal Low-Income Housing Tax Credits (“Federal Credits”), a 1.0% interest in cash flow, and a 1.0% interest in gains/losses from capital transactions), a 100% allocation of State Credits in the annual amount of Annual State Credit Allocation in the Project Summary below, and a state asset management fee. For ease of reference of the state housing credit agency, the Federal Adjustment Rate in the event of a reduction in Federal Credit, and the State Adjustment Rate, in the event of a reduction in State Credit, are in the Project Summary below.

Project Summary	Standard Delivery
Annual State Credit Allocation to State LP	\$472,000
Total Equity	\$3,115,200
Federal Adjustment Rate	\$0.9000
State Adjustment Rate	\$0.6600

The attached “State LP Required Terms” includes required terms of the State LP that are part of this Proposal.

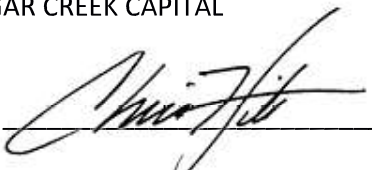


Sugar Creek will review the Due Diligence Requirements of the investor/syndicator of the Federal Credits ("Federal LP") and determine if further information is required to meet Sugar Creek's underwriting requirements. In order to facilitate an efficient closing process, the General Partner agrees to provide copies of due diligence materials, including financial projections, to Sugar Creek at the same time as such information is provided to the Federal LP, and to include Sugar Creek's closing team on e-mail correspondence and closing status calls. This Proposal is subject to underwriting committee review which will occur after Sugar Creek receives and reviews all of the required due diligence. This Proposal is also subject to the execution of a binding partnership agreement admitting the State LP to the Partnership.

We very much look forward to working with you.

Sincerely,

SUGAR CREEK CAPITAL

By: 
Christopher Hite, President

ACCEPTED ON THE 13th DAY OF May, 2021

By: 
Its: Authorized Representative

By: _____
_____, its _____

State LP Required Terms

State Limited Partner:

An entity managed by Sugar Creek Capital ("State LP") is the entity that makes the State LP capital contribution and has the rights and obligations of the State Credit investor. The State LP's underwriting, partnership review and asset management functions will be performed by Sugar Creek Capital.

Capital contributions

Unless the State LP otherwise advises, the State LP capital contribution shall be paid-in at the same times, percentages, and on the same conditions as the Federal LP. Only the State LP may waive its capital contribution benchmarks. Should a letter of credit be required to secure the State LP capital contributions, any cost for the letter of credit shall be borne by the Partnership and/or beneficiary.

Reports, notices and other partnership information

The State LP shall receive copies of all project information that impacts the State Credits or the State LP (including project reports, notices, construction draws and annual budget) at the same time as such information is provided to the Federal LP.

Guaranties

The State LP shall be made a party to applicable guaranties in the same fashion as the Federal LP. At a minimum, the State LP requires that construction completion, the repurchase obligation and the State Credits be guaranteed in accordance with industry standards (in the opinion of the State LP). The guaranty of the State Credits must extend through the tax credit compliance period.

The general contractor's performance shall be guaranteed either via Performance and Payment Bonds (in the full amount of the construction contract) or a construction completion guaranty secured by a Letter of Credit. If P&P Bonds are used, the State LP must be listed as an additional obligee.

Asset management fee (a/k/a Administrative Fee, etc.)

The State LP will charge an annual asset management fee in the amount of half of the corresponding fee to the Federal LP, and will be payable on the same terms as and on equal footing with the corresponding fee to the Federal LP.

Legal opinions

The State LP shall be made a party to the Partnership local law opinion in the same fashion as the Federal LP, and shall receive a copy of any tax opinion provided by General Partner's counsel to the Federal LP.

Insurance

- 1) The State LP shall be named via endorsement on the project's builders risk insurance policy as a Loss Payee, if the Federal LP is so named.

- 2) The State LP shall be named via endorsement on the project's property insurance policy as a Loss Payee, if the Federal LP is so named. For new construction, the State LP needs to review a draft certificate and an estimate of the cost of coverage, if required by the Federal LP.
- 3) The State LP shall be named via endorsement on the project's general liability and excess umbrella liability insurance policies as an Additional Insured, if the Federal LP is so named.
- 4) Insurance certificates naming the State LP as an Additional Insured or Loss Payee should name the State LP as follows:

Affordable Housing Fund I LLC, and its successors and assigns
c/o Sugar Creek Realty LLC
17 West Lockwood Avenue
St Louis, Missouri 63119

- 5) The State LP shall be given notice of cancellation of any insurance policy, whether property or liability, in the same fashion as the Federal LP.
- 6) The State LP requires only copies of the certificates of insurance showing that the following policies are in place (i.e. the State LP does not need to be named if the Partnership is the certificate holder):
 - Architect's errors and omissions
 - Contractor's general liability
 - Property Manager's general liability and fidelity bond/employee theft

Repurchase

The State LP shall be afforded repurchase rights akin to the Federal LP, based on the same conditions. The State LP will defer to the Federal LP's decision regarding repurchase; but, if the Federal LP's interest is repurchased, the State LP's interest must, at the option of the State LP, also be repurchased.

Partnership Agreement Terms

The partnership agreement shall reflect the intention of the partners that the State Tax Credits are allocated to the State LP and the Partnership will file federal and state income tax returns consistent with that intent. If the IRS determines that the State LP's capital contributions or the allocation of the State Credits to the State LP must be recognized as income to the Partnership, the State LP cannot accept any allocation of said income. The State LP will not indemnify any partners or the Partnership if any special allocation is not respected.

Indemnities and Representations & Warranties running to the Federal LP shall also run to the State LP. The State LP shall make no Representations and Warranties that are not made by the Federal LP. Any bankruptcy of the Partnership, or sale or refinancing (including additional leverage) of the Project, shall require the approval of the State LP. In addition, the following provision shall be added to the partnership agreement:

Notwithstanding anything to the contrary herein, the Partners may not take any action directly or through any of its affiliates that would change any of the rights or obligations of the State LP in the Partnership, or the rights or obligations of the Partnership in the Project, including, but not limited to, any amendment or action that would result in a reduction in State Credits, a reduction of the 100% allocation of the State Credits to the

State LP, or a change in an allocation or distribution right, without the prior written consent of the State LP.

Management Company

The Management Company must have sufficient experience in managing properties subject to Low-Income Housing Tax Credit compliance standards. The State LP reserves the right to contact the Management Company.

First year tenant files compliance check

Until 100% Initial Qualified Occupancy is achieved, the General Partner shall provide to the State LP on a monthly basis, within twenty (20) days of the end of the month, copies of all first year tenant files for all units leased during the month. The State LP will require the General Partner and/or the management agent to correct any first year tenant files that do not comply with state agency standards. The State LP shall have the right to withhold the last capital installment for failure to remedy material compliance problems.

Tax filing information & delivery

The following forms are due from the Partnership by March 1st:

- a copy of the Partnership's Form 1065, including the State LP's Schedule K-1
- a copy of the Partnership's state income tax return
- a copy of the fully executed Form 8609 (only for the initial year in which filed with the IRS)
- a copy of Form 8609A
- a copy of the MO Eligibility Statement (with Part III signed)

The State LP must also be provided with the initial Eligibility Statement (with the signed Part I) within 7 days of receipt by the General Partner. Rights to monetary penalties for late delivery of tax information shall be the same as those imposed by the Federal LP.

The following shall be added to the tax return provisions of the partnership agreement:

Any changes in treatment of any line items in the Partnership's federal income tax return and/or state tax return that affects the State Credits or the State LP shall require the approval of the State LP.

In addition, the following shall be added to the reporting provisions of the partnership agreement:

The General Partner shall provide to the State LP on or prior to October 30 of the first year of the credit period for the Project an estimate of the amount of State Credits that will be available to the Partnership and allocated to the State LP for such year.

Assistance in providing social service information

The following provision shall be included in the Partnership's partnership agreement:

Horizon Housing Foundation (“HHF”) assists in the coordination of social services for projects in which the State LP invests. The General Partner agrees to cooperate, and cause the Management Agent to cooperate, with HHF in coordinating social services programming to promote the health, education, and economic self-sufficiency of, and improve the quality of life of, Project tenants. All programming would be optional and provided at no additional cost to the Project or its tenants.

Lender Provisions; Transfers

The State LP’s partnership interest may be directly or indirectly assigned, transferred, pledged or encumbered to the State LP’s (or any of its members’) lender (the “State LP Lender”) without the consent of the General Partner or any limited partner. The State LP Lender shall have a security interest in the State LP’s interest (which may be junior to any security interest of the Partnership). The State LP Lender shall be accepted as a substitute limited partner in the event it forecloses on its security interest. The obligation of the assigning State LP to make its Capital Contribution shall not be released in the case of an assignment. There shall be no restrictions on any transfer or change in ownership within the State LP.

Removal of Key Participants

If the Federal LP elects to remove the General Partner, the State LP shall be provided notice of the impending removal and the grounds therefor.

Adjustments to State LP capital contribution

The State LP capital contribution shall, at a minimum, be adjusted as follows:

1. If, after completion and based upon the cost certification, Form 8609s and State Credit eligibility documentation, the amount of State Credits for which the project will be eligible is less than the projected State Credits (a “Cost Certification Credit Shortfall”), then the State LP’s capital contribution shall be reduced in an amount equal to the product of (i) the Cost Certification Credit Shortfall and (ii) the State Adjustment Rate. Additionally, State Credits that become “two thirds” or “fifteen year” credits will be treated as a Cost Certification Credit Shortfall.
2. If the first year State Credits received by the State LP are less than the projected first year State Credits resulting from delay in units becoming eligible for State Credits (the “Late Delivery Shortfall”), then the State LP’s capital contribution shall be reduced, in addition to the reductions described in paragraphs 1 above and 3 below, in an amount equal to the product of (i) the Late Delivery Shortfall and (ii) 70% of the State Adjustment Rate.
3. Any credit shortfall, recapture or disallowance of State Credits or Federal Credits other than as described in paragraphs 1 and 2 above, shall result in a reduction in or partial repayment of State LP’s capital contribution equal to the amount of the annual credit shortfall, recapture or disallowance plus interest and penalties.



May 12, 2021

Todd Lieberman
Brinshore Development, LLC
222 W. Gregory Blvd
Kansas City, MO. 64115

RE: Crescendo Apartments
Highland Ave
Kansas City, MO. 64108

Dear Todd,

Thank you for the opportunity to provide this letter of interest for Crescendo Apartments in Kansas City Missouri.

This development is the new construction of 39 units of affordable housing for households earning between 30% and 80% of the Area Median Household Income (AMHI). The project will be built on Highland Avenue between 24th and 25th streets in Kansas City, Missouri. There will be 10 one-bedroom units; 10 two-bedroom units and 19 three-bedroom units in townhome and flat styles. Total Project Cost is approximately \$9,695,545.

Development amenities include a community building with a large community room, on-site management, nonprofit office space and a garden. In addition, Crescendo will feature ample green space with front porches and rear patios. Crescendo will be designed to attract families, seniors and households without children.

Based on the preliminary information that you have provided, BMO Harris Bank N. A. contemplates the following lending structure and terms:

\$ 6,713,840 Construction and bridge facility

24-month term, with one 6-month extension option.

- Interest-only payable monthly during construction paid from an interest hold-back.
- Interest Rate floats with 1 Month LIBOR plus 2.40%. (Because this is a 4% tax exempt bond structure, the interest rate is multiplied by the 84% tax factor resulting in an all-in rate of 2.10% (assuming LIBOR is .11%).
 - Loan Fee is .65% (\$43,640)

Additional Conditions:

- Expected tax credits: \$7,362,775 (both state and federal 4% LIHTC)
- LIHTC equity at closing: \$1,472,555.
- Satisfactory Perm loan commitment from MHDC.
- Balance of LIHTC equity at various agreed upon milestones.
- All other sources shown on the attached Exhibit contributed and/or available at close.
- Developer Fee Paid at close is \$180,000. Balance at agreed upon milestones.
- Unlimited guaranty by Brinshore Development, LLC.
- All property operating and reserve accounts to be with BMO.
- Maximum LTV is 80% against Real Estate + 85% of LIHTC value for Total Credit.

Note that terms may be changed or added as part of the underwriting, credit and legal review process. The summary of terms and conditions above is intended as an outline only and does not summarize all the conditions, covenants, guarantees, representations, warranties and other provisions which would be contained in legal documentation for the financing contemplated hereby. Any commitment of BMO Harris Bank N.A., if and when issued, will be subject to negotiation and execution of Loan Documents satisfactory to BMO Harris Bank N.A., the Borrower, and their respective counsels.

Out of pocket expenses, including, legal, appraisal, construction cost review, etc. are expected to be approximately \$40,000.

As always, please feel free to contact me with any questions or additional information you may require.

Regards,



James J. West

Director
Community Development
Lending BMO Harris Bank N.A.
115 S. LaSalle
Chicago, Il. 6063
James.west@bmo.com
312-461-5047

ACCEPTED ON THE 13th DAY OF May, 2021

By: 
Its: Authorized Representative

UNI CRESCENDO, LLC

May 12, 2021

Frank Quagraine
Director of Rental Production
Missouri Housing Development
Commission 920 Main Street, Suite 1400
Kansas City, MO 64105

RE: DEFERRED DEVELOPER FEE

Dear Mr. Quagraine,

The members of UNI Crescendo Manager, LLC serve as co-developers of the Crescendo transaction. Pursuant to this letter and the underwriting included in the 2021 4% LIHTC application, we hereby defer \$137,670 of developer fee to be repaid out of cash flow over ten years.

Sincerely,

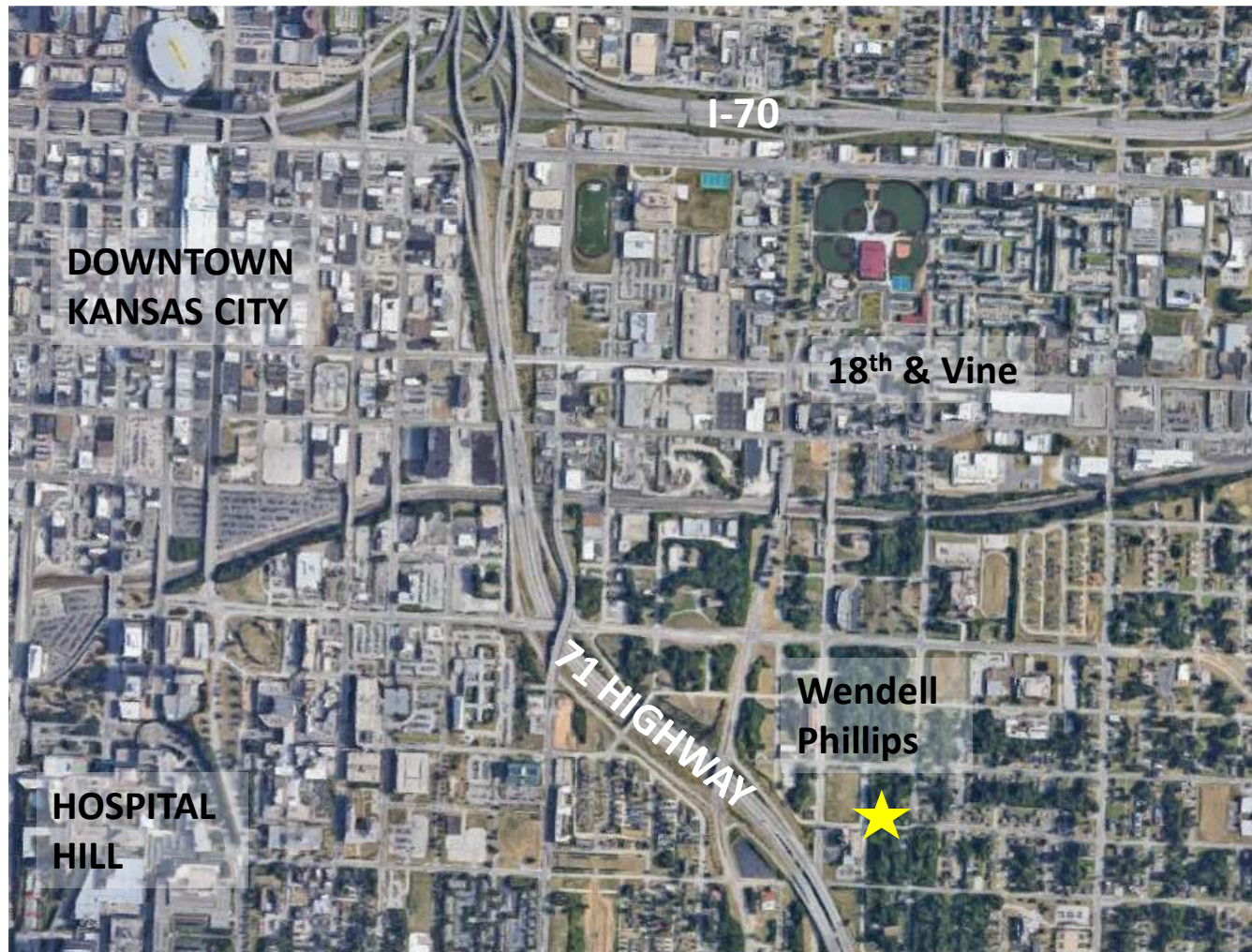


Todd Lieberman
UNI Crescendo, LLC

11. Required Attachments

- Attachment A: Project Boundaries
- Attachment B: Development Schedule
- Attachment C: Design Plans
- Attachment D: Letters of Support
 1. Barbara Anne Washington | Missouri House of Representatives
 2. Melissa Robinson | Councilwoman
 3. Dr. Mark T. Bedell | Superintendent of Schools
 4. John P. James | President, Wendell Phillips Neighborhood
 5. Ester Kershaw | President, Boston Heights and Mount Hope Neighborhood Association
 6. Carol R. Naughton | President, Purpose Built Communities
- Other Attachments
 1. Site Control- Special Warranty Deed
 2. Project Narrative

Crescendo Development Location Map



Crescendo Development Location Map



Project Schedule



Construction Sources

Milestone	Month	Year
Closing Date	July	2022
Lease-Up Start	August	2023
Construction End	September	2023
Lease-up End	November	2023
Stabilization	February	2024
Perm Loan Closing	February	2024



COLORED SITE PLAN

APRIL 23, 2021

CRESCENDO - 25TH & HIGHLAND

N.T.S.



rosemann
& ASSOCIATES P.C.

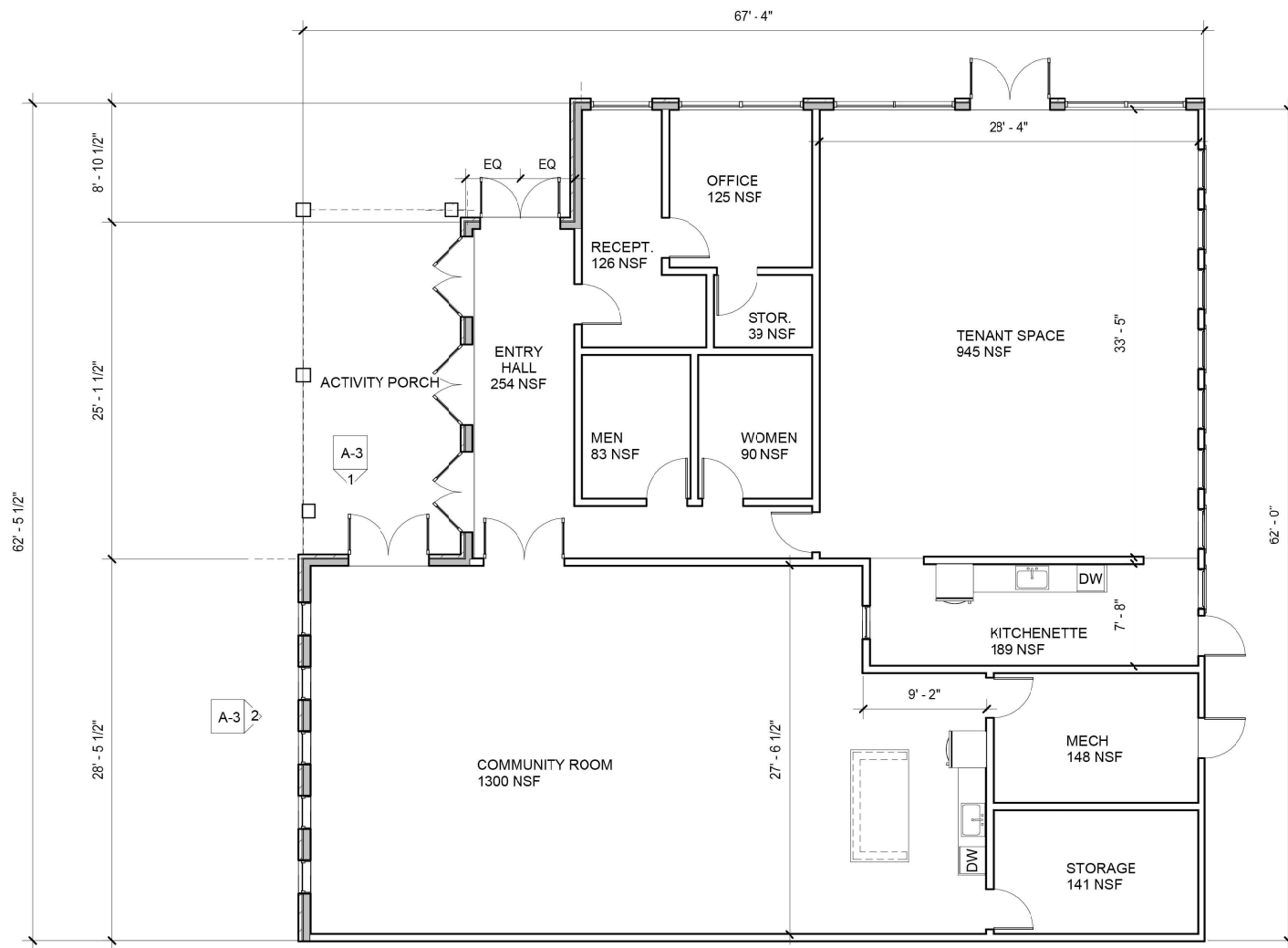


SIDE COMMUNITY CENTER ELEVATION

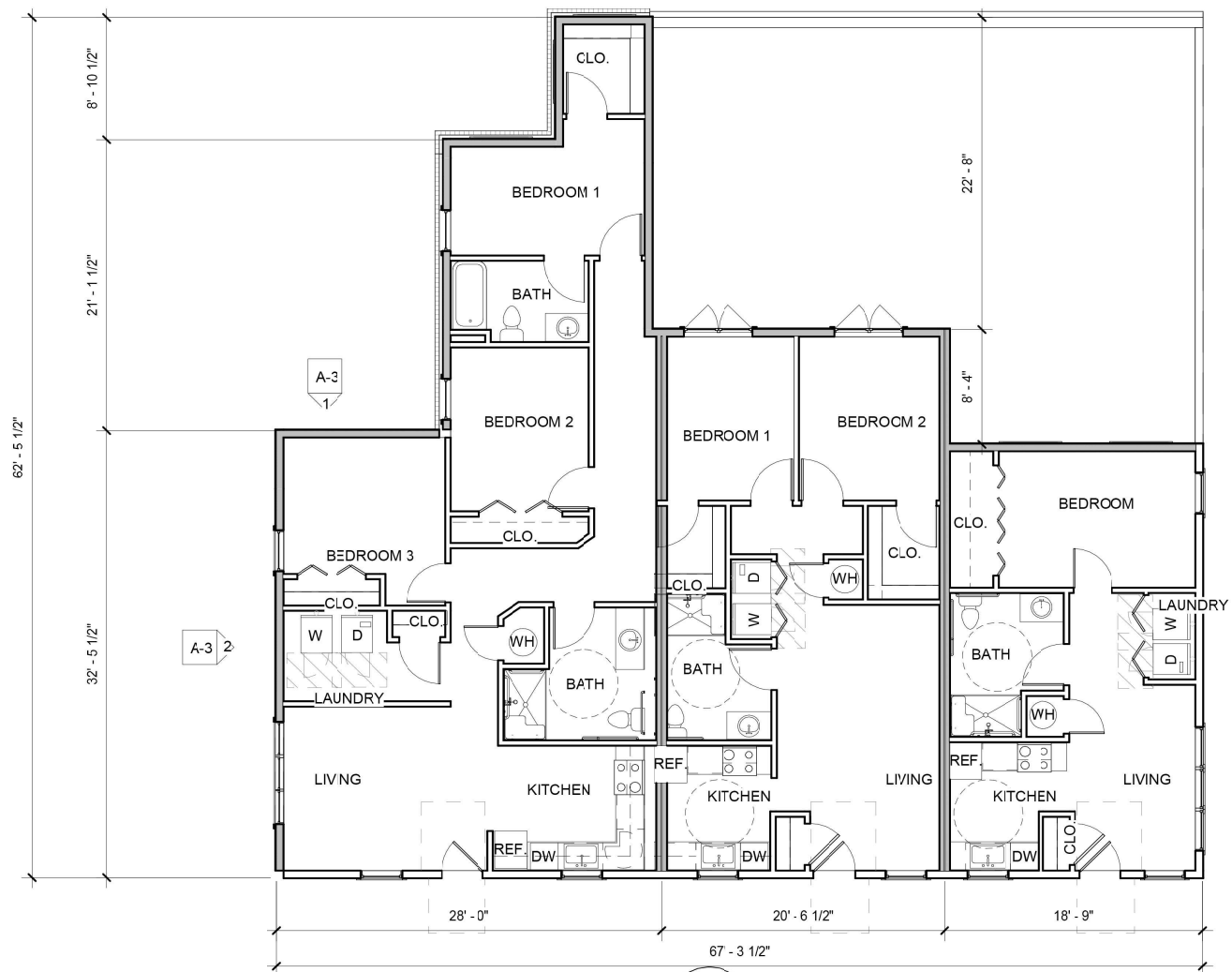


FRONT COMMUNITY CENTER ELEVATION





1 COMMUNITY BLDG FLOOR PLAN
1/8" = 1'-0"



1

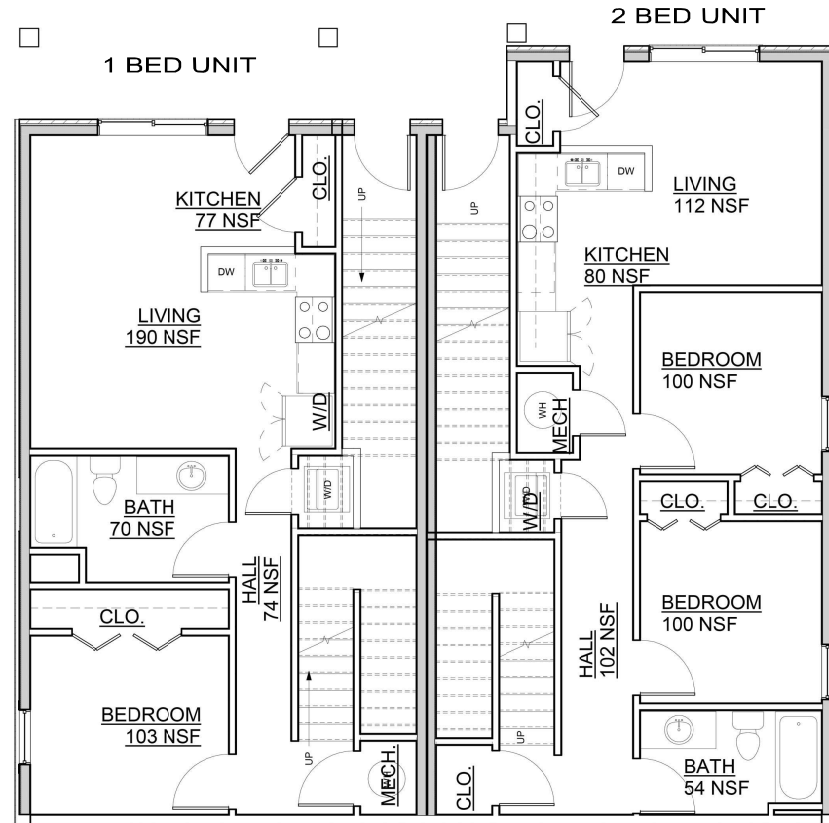
2ND FLOOR - TOWNHOME PLANS

1/8" = 1'-0"

HIGHLAND AVE

ALTERNATE LOWER LEVEL - 3 BEDROOM STAIR - 130 GROSS SQFT.
ALTERNATE LOWER LEVEL - 1 BEDROOM UNIT - 705 GROSS SQFT.

ALTERNATE LOWER LEVEL - 3 BEDROOM STAIR - 100 GROSS SQFT.
ALTERNATE LOWER LEVEL - 2 BEDROOM UNIT - 885 GROSS SQFT.

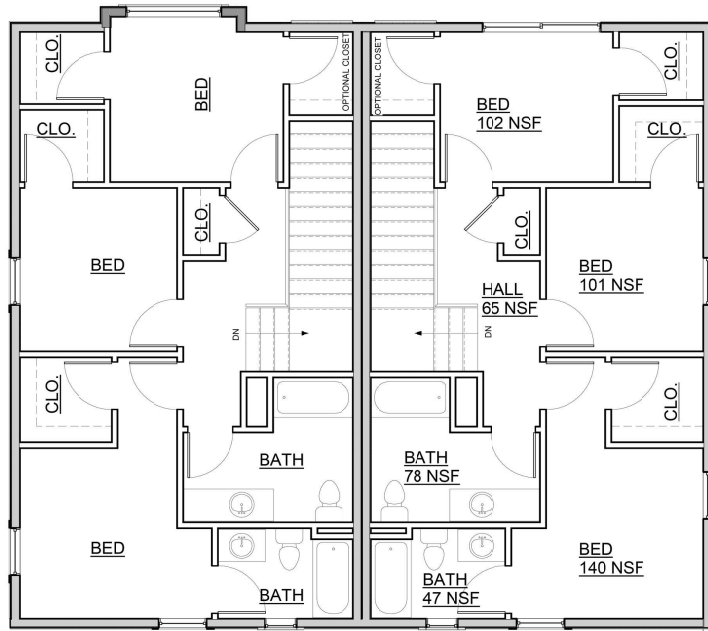


1 LOWER LEVEL - OVERALL
(ALTERNATE)
1/4" = 1'-0"

A3

ALTERNATE UPPER LEVEL - 3 BEDROOM UNIT - 840 GROSS SQFT.

ALTERNATE UPPER LEVEL - 3 BEDROOM UNIT - 840 GROSS SQFT.



3 BED UNIT
UPPER LEVEL

3 BED UNIT
UPPER LEVEL

2 UPPER LEVEL - OVERALL PLAN
1/4" = 1'-0"

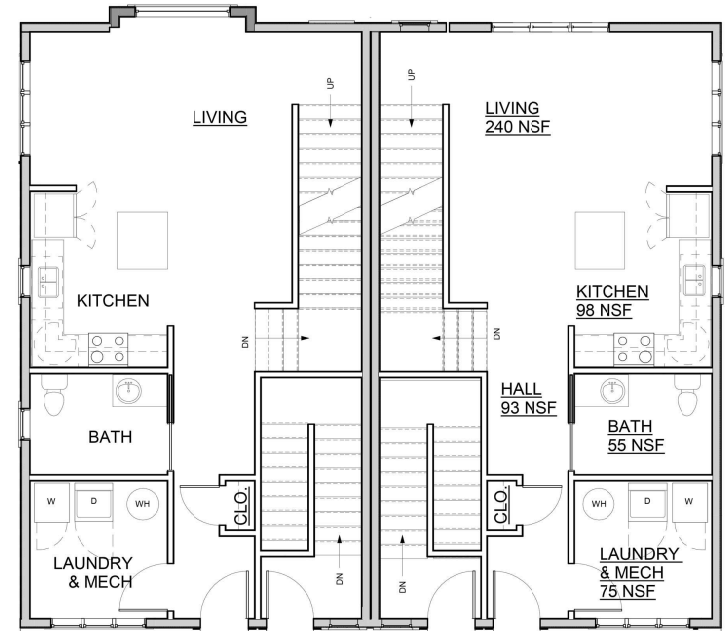
HIGHLAND AVE

ALTERNATE GROUND FLOOR - 3 BEDROOM UNIT - 725 GROSS SQFT.

ALTERNATE GROUND FLOOR - 1 BEDROOM STAIR - 115 GROSS SQFT.

ALTERNATE GROUND FLOOR - 1 BEDROOM UNIT - 725 GROSS SQFT.

ALTERNATE GROUND FLOOR - 1 BEDROOM STAIR - 115 GROSS SQFT.



3 BED UNIT

3 BED UNIT

PARKING LOT

1 GROUND FLOOR - OVERALL
PLAN
1/4" = 1'-0"

TOWNHOME - GROUND & UPPER LEVEL FLOOR PLAN

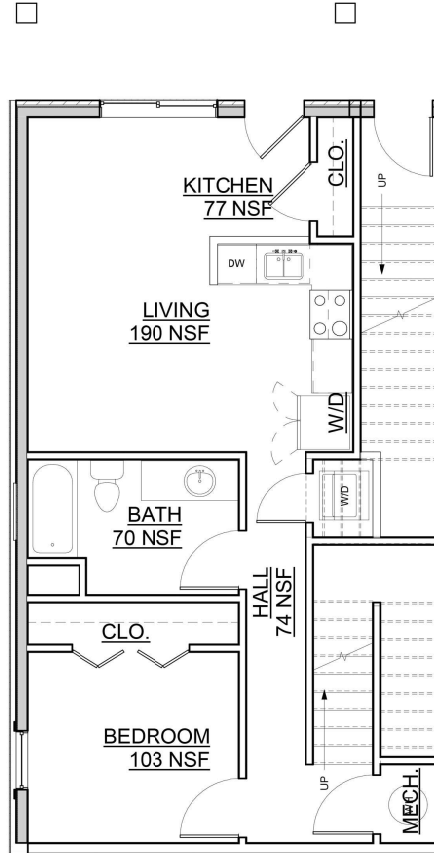
APRIL 23, 2021

CRESCENDO - 25TH & HIGHLAND

N.T.S

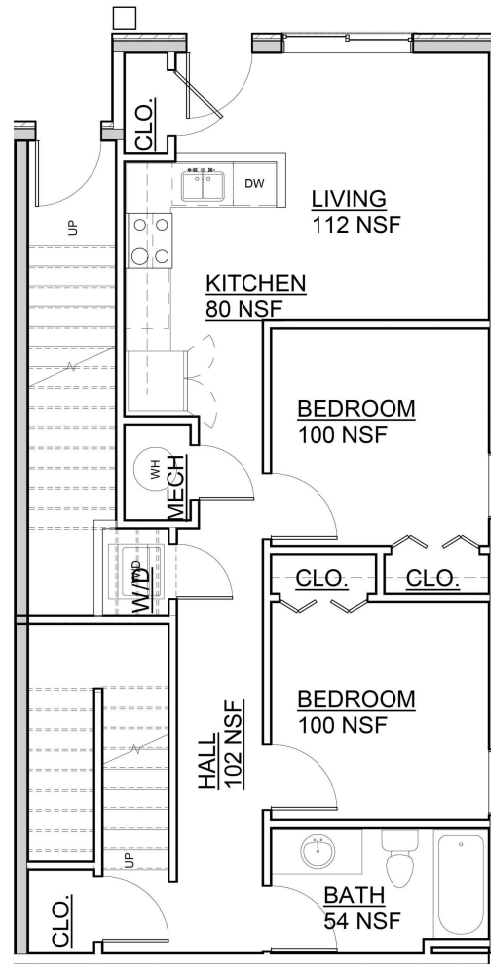
rosemann
& ASSOCIATES PC

ALTERNATE LOWER LEVEL - 3 BEDROOM STAIR - 100 GROSS SQFT.
 ALTERNATE LOWER LEVEL - 1 BEDROOM UNIT - 705 GROSS SQFT.



ALTERNATE LOWER LEVEL - 3 BEDROOM STAIR - 100 GROSS SQFT.

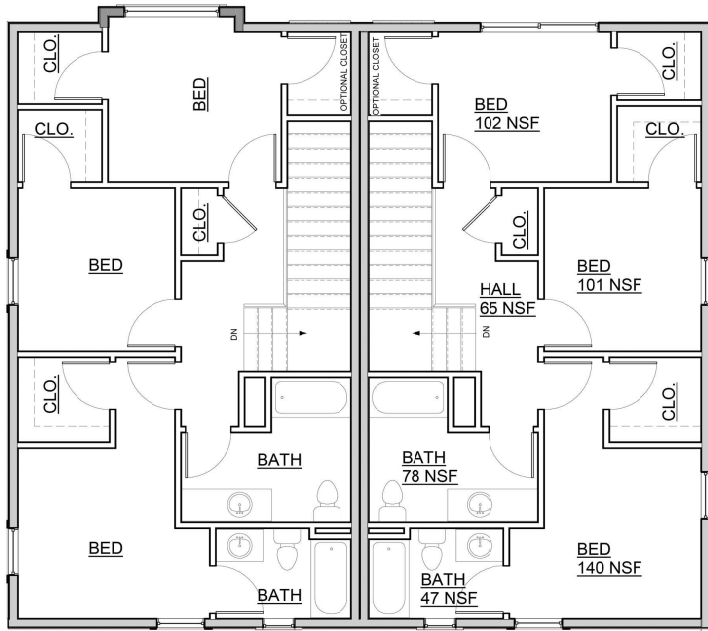
ALTERNATE LOWER LEVEL - 2 BEDROOM UNIT - 805 GROSS SQFT.



A3

ALTERNATE UPPER LEVEL - 3 BEDROOM UNIT - 840 GROSS SQFT.

ALTERNATE UPPER LEVEL - 3 BEDROOM UNIT - 840 GROSS SQFT.



3 BED UNIT
UPPER LEVEL

A-201

3 BED UNIT
UPPER LEVEL

A-200

2 UPPER LEVEL - OVERALL PLAN
1/4" = 1'-0"

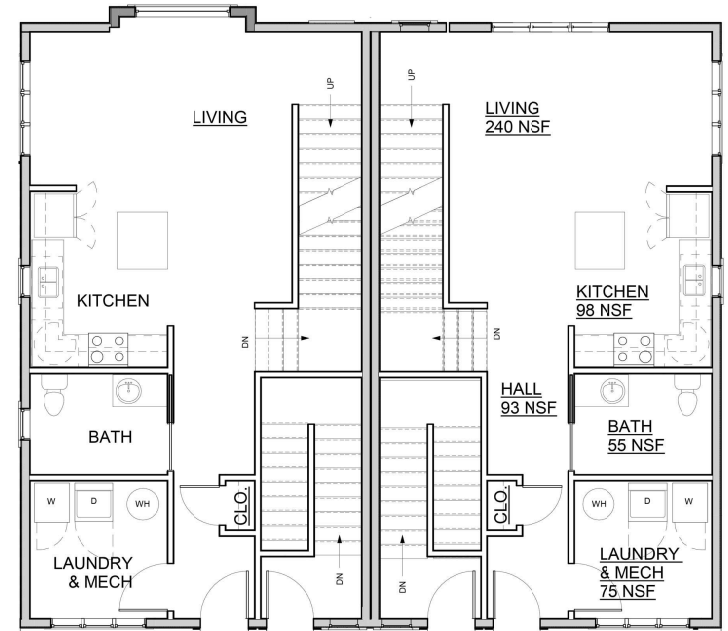
HIGHLAND AVE

ALTERNATE GROUND FLOOR - 3 BEDROOM UNIT - 725 GROSS SQFT.

ALTERNATE GROUND FLOOR - 1 BEDROOM STAIR - 115 GROSS SQFT.

ALTERNATE GROUND FLOOR - 1 BEDROOM UNIT - 725 GROSS SQFT.

ALTERNATE GROUND FLOOR - 1 BEDROOM STAIR - 115 GROSS SQFT.



3 BED UNIT

A-201

3 BED UNIT

PARKING LOT

1 GROUND FLOOR - OVERALL
PLAN
1/4" = 1'-0"

TOWNHOME - 3 BED UNIT PLAN

APRIL 23, 2021

CRESCENDO - 25TH & HIGHLAND

N.T.S

rosemann
& ASSOCIATES PC

CAPITOL OFFICE

State Capitol
201 West Capitol Avenue
Room 135 AB

Jefferson City, MO 65101-6806
Tele: (573) 751-0538

E-Mail:

Barbara.washington@house.mo.gov

**COMMITTEES:**

- ~ Budget
- ~ Economic Development
- ~ Rules - Legislative Oversight
- ~ Subcommittee on Appropriations -
Public Safety, Corrections,
Transportation and Revenue
- ~ Special Committee on Criminal
Justice
- ~ Conference Committee on Budget
- ~ Professional Registration

MISSOURI HOUSE OF REPRESENTATIVES**Barbara Anne Washington**

Minority Caucus Secretary
District 23

October 20, 2020

Frank Quagraine
Director of Rental Production
Missouri Housing Development Commission
920 Main Street, Suite 1400
Kansas City, MO 64105

RE: Letter of Support for Crescendo Project

Since 2015 the Urban Neighborhood Initiative (UNI) has worked diligently to bring the Purpose-Built Community model to life in the Wendell Phillips Neighborhood, one of 10 neighborhoods with which the organization works. The Purpose Built model seeks to transform neighborhoods through quality mixed income housing, a quality educational continuum and needed neighborhood services. UNI started with opening the Kansas City Neighborhood Academy, a public charter in partnership with Kansas City Public Schools (KCPS). This school, though providing a valuable service to its students, was forced to close after three years due to under enrollment, which is evidence of the need to increase density in the neighborhood through building on vacant land scattered throughout the neighborhood.

The Crescendo project is the first phase of UNI's planned housing development in the neighborhood. They will continue through development on the 90 additional parcels on which they have the option. They currently have an agreement with Habitat for Humanity to develop 30 of those parcels. UNI is also developing a proposal to present to KCPS for repurposing of the KCNA building into a multi-use facility that will benefit the neighborhood and surrounding areas. Interested partners in this redevelopment include the Metropolitan Community College and an organization called Catalyst Kitchen

UNI's mission is to break the intergenerational cycle of poverty by building healthy neighborhoods in which all children and families can succeed and thrive. UNI has worked closely with the Wendell Phillips Neighborhood throughout and currently has engaged an urban planner to work on a neighborhood Master Plan.

I am fully in support of UNI's plan to build mix income town home style units on two vacant blocks in the neighborhood. The need for quality housing at affordable rates is great. I am very pleased that UNI is seeking to address this need. My district needs a partner like UNI to revitalize the vibrancy and history associated with the area surrounding Lincoln College Prep and 18th Vine. We need to support those organizations, like UNI, that have already begun the work of bringing their developments to fruition. We need to support those organizations that can

secure additional funding to bring their development to completion. UNI is that organization and I offer my full support of their vision.

I urge you to please fund the UNI project during this round of Low Income Housing Tax Credits.

Very truly yours,

A handwritten signature in purple ink that reads "Barbara Anne Washington". The signature is fluid and cursive, with the first name "Barbara" being the most prominent.

Barbara Anne Washington
Missouri House of Representatives
District 23

CC: Diane Cleaver, President and CEO
Urban Neighborhood Initiative



Melissa Robinson
Councilwoman, 3rd District In-District

22nd Floor, City Hall
414 East 12th Street
Kansas City, Missouri 64106

(816) 513-6513
Email: melissa.robinson@kcmo.org

October 29, 2020

Frank Quagraine
Director of Rental Production
Missouri Housing Development Commission
920 Main Street, Suite 1400
Kansas City, MO 64105

RE: Letter of Support for Crescendo Project

Since its inception the Urban neighborhood Initiative has partnered with 10 neighborhoods in the urban heart of our city to work toward comprehensive revitalization. In one of those neighborhoods, Wendell Phillips, UNI is working to implement the *Purpose Built Communities* model and addition to the land for this project UNI has the option on 90 additional parcels it is working to develop to make a significant impact in building a healthy mixed income neighborhood.

UNI and its selected development partner, Brinshore, have worked closely with the Wendell Phillips Neighborhood over the last three plus years, attending multiple neighborhood meetings and including the neighborhood president in the decision-making process. Both UNI and Brinshore are committed to help address neighborhood needs and maintain the historic character and culture of the neighborhood.

The Crescendo project will redevelop a two-block area in the neighborhood that is currently vacant and blighted in a community that has far too many vacant, undeveloped areas. UNI also has the option on 90 additional parcels in the neighborhood and is working to develop those as part of an effort to build a healthy mixed income neighborhood.

The vacancy and blight coupled with the dire need for affordable housing in the area is evidence of the importance of this project. We are pleased that 30% of the units will be at market rate with the remainder at 50-60% of AMI because people of low and moderate income should not be segregated from those of higher incomes. We believe this mix will promote the overall health of the neighborhood. We are also very pleased that this project includes community space and a good mix of bedroom sizes including a significant percentage of three-bedroom units.

We are fully in support of the Brinshore/UNI Crescendo project. The third district needs partners like these who work with current residents to restore vibrancy and build economic stability in our area.

Further UNI has already secured a pledge of additional funding to ensure the project will be completed.
I urge you to please fund the UNI project during this round of Low Income Housing Tax Credits.

Sincerely,

A handwritten signature in dark ink, appearing to read "Melissa Robinson", followed by a long, horizontal, slightly wavy line extending to the right.

Melissa Robinson
Councilwoman
3rd District In-District

Superintendent of Schools



October 28, 2020

Frank Quagraine
Director of Rental Production
Missouri Housing Development Corporation
920 Main Street, Suite 1400
Kansas City, MO 64105

Dear Mr. Quagraine:

On behalf of the team at Kansas City Public Schools (KCPS), I would like to express our support for the Crescendo project, the first phase of the Urban Neighborhood Initiative (UNI) housing development strategy.

KCPS has been working with the UNI team since 2015, as they have taken a multi-pronged approach to building healthy neighborhoods in Kansas City's core that focuses on safety and health, prosperity and lifelong education. The Crescendo project would provide be a tremendous catalyst for the Wendell Phillips Neighborhood. It would also provide stable mixed-income housing opportunities for KCPS families within walking distance of some of our strongest schools: fully accredited Wendell Phillips Elementary, the newly renovated and reopened Lincoln College Preparatory Middle School and Lincoln College Preparatory Academy, the highest-ranked public high school in Kansas City.

The Crescendo project sits adjacent to a former KCPS elementary school site. Last year KCPS solicited reuse proposals through a formal request for expressions of interest (RFI) process. UNI responded to the RFI with a preliminary proposal, called the Wendell Phillips Accelerator, which would serve as an anchor for the Wendell Phillips neighborhood and the future residents of the Crescendo project. UNI is currently finalizing its proposal for consideration by the KCPS School Board.

KCPS is excited about the Crescendo project, and encourages the MHDC team to support this proposal with a LIHTC allocation.

Yours in education,

A handwritten signature in black ink that reads "Mark Bedell".

Dr. Mark T. Bedell
Superintendent of Schools
Kansas City Public Schools (KCPS)

Cc: Dianne Cleaver, UNI
Todd Lieberman, Brinshore Development



Wendell Phillips Downtown-East Neighborhood Association

October 23, 2020

Frank Quagraine
Director of Rental Production
Missouri Housing Development Commission
920 Main Street, Suite 1400
Kansas City, MO 64105

RE: Wendell Phillips Downtown-East Neighborhood Association Letter of Support for Crescendo Project

Dear Mr. Quagraine

Wendell Phillips Downtown-East Neighborhood Association is strongly supportive of the Crescendo development. We have been working closely with Urban Neighborhood Initiative (UNI) and Brinshore Development on the planning phase of this project for over 4 years.

The Crescendo project is truly a productive collaborative effort. Our community consensus is that this housing development will be the underpinning accomplishment of our neighborhood revitalization plan. The development will be conveniently centered in close proximity to human service agencies, medical facilities, jobs, retail, restaurants and transportations.

The Crescendo will redevelop four city blocks of neglected real estate and have a great positive environmental impact in our community. It will also be in line with our community commitment to provide more intimate supportive surroundings that maintain the historic charm of this community.

In closing, we truly encourage Missouri Housing Development Commission to provide full consideration of the Crescendo project for low-income housing tax credits. We look forward to attending the MHDC public hearing and uttering our support for Crescendo.

Please feel free to call me (816-582-5783) to discuss our support.

Sincerely,

John P James
John P. James
President, Wendell Phillips Neighborhood

October 20, 2020

Frank Quagraine
Director of Rental Production
Missouri Housing Development Commission
920 Main Street, Suite 1400
Kansas City, MO 64105

RE: Boston Heights and Mount Hope n.a. Letter of Support for Crescendo Project

Dear Mr. Quagraine,

Boston Heights and Mount Hope n.a. strongly supports the Crescendo development proposed by the Urban Neighborhood Initiative (UNI) and Brinshore on Highland Ave between 24th and 25th Streets. We have worked closely with the Urban Neighborhood Initiative since its inception nearly nine years ago in its multiple efforts to build healthy mixed income neighborhoods. UNI was founded on the principle of working collaboratively with neighborhoods and that has been our experience with them. UNI supports the creation of our community garden as an example. The mixed income townhome style development that UNI and Brinshore are developing is a result of those collaborative efforts.

The Crescendo project will not only provide much needed, quality affordable housing and supportive services for a variety of households, but it will also redevelop two blocks of vacant land in the Wendell Phillips Neighborhood. Developing and beautifying this area will help bring stabilization.

Boston Heights and Mount Hope n.a. encourages the Missouri Housing Development Commission's full support of the Crescendo project for low-income housing tax credits. We look forward to supporting UNI in completing this work in any way we can.

We are happy to further discuss our support of this project.

Sincerely,

A handwritten signature in cursive script that reads "Esther Kershaw". The signature is fluid and elegant, with the first name "Esther" and last name "Kershaw" clearly distinguishable.

Esther Kershaw

Boston Heights and Mount Hope n.a. President



October 15, 2020

Mr. Frank Quagraine
Director of Rental Production
Missouri Housing Development Commission
920 Main Street, Suite 1400
Kansas City, MO 64105

RE: Purpose Built Communities Letter of Support for Crescendo Project

Dear Mr. Quagraine:

Purpose Built Communities is pleased to issue a letter of support for the Crescendo development as it is critical to the broader, holistic Wendell Phillips neighborhood revitalization effort led by the Urban Neighborhood Initiative (UNI).

Purpose Built Communities is a nonprofit, pro bono organization that partners with leaders in cities nationwide as they revitalize distressed neighborhoods. Our goal is to abolish the connection between where someone is born and their life outcomes in urban, low-income communities. We do this by improving the neighborhood so that it becomes a place of opportunity while maintaining deep affordability for families with low incomes. We support local leaders like UNI who deploy the Purpose Built Communities model which is designed to create broad, deep, and durable pathways out of poverty for residents with low incomes without having to leave their neighborhood. Our core strategies are mixed-income housing, a neighborhood serving cradle-to-college education pipeline, and health and wellness programs, all coordinated by a local, nonprofit "community quarterback" organization. Purpose Built Communities supports transformative neighborhood revitalization initiatives in 28 communities across the country. UNI serves as the community quarterback organization in Wendell Phillips.

The Crescendo development is the result of a collaborative planning effort between Brinshore Development, UNI, neighborhood residents and Purpose Built Communities. Our organization has worked closely with UNI and Brinshore Development to deliver mixed-income housing in Wendell Phillips since 2016 when UNI became a Purpose Built Communities "Network Member." The Network Member designation is afforded selectively to organizations that we believe have developed both the plan and capacity to break the cycle of generational poverty in their neighborhoods using our holistic model of neighborhood revitalization.

The Crescendo development will not only provide much needed, high-quality, affordable housing and supportive services for a variety of households, but also redevelop two blocks of underutilized land in the Wendell Phillips Neighborhood of Kansas City, Missouri. The Crescendo is one of many current and future UNI investments in mixed-income housing, cradle-to-college education programs and community health and wellness initiatives in the neighborhood. All are central to improving health outcomes and increasing upward economic mobility and racial equity in the Wendell Phillips community.



We encourage the Missouri Housing Development Commission to provide full consideration of the Crescendo development for low-income housing tax credits. We know this housing development will advance UNI's work in creating a neighborhood that produces happy, healthy, economically mobile young people while preserving long term affordability.

We look forward to supporting this project to make sure every individual living at the Crescendo and in the Wendell Phillips neighborhood has the opportunity to reach their full potential regardless of race or socioeconomic status. Please feel free to reach out to me with any questions or to further discuss Purpose Built Communities' support of the Crescendo project.

Sincerely,

A handwritten signature in blue ink that reads "Carol R. Naughton".

Carol R. Naughton
President and Interim Chief Executive Officer
Purpose Built Communities
cnaughton@purposebuiltcommunities.org
404-323-0635



ELECTRONICALLY RECORDED
JACKSON COUNTY, MISSOURI

06/23/2017 12:43:31 PM

WD FEE: \$ 45.00 9 Pages

INSTRUMENT NUMBER:

2017E0056627

SPECIAL WARRANTY DEED

Date: June 20 2017

GRANTEE: (for indexing purposes only)

Urban Neighborhood Initiative, Inc.,
a Missouri non-profit corporation
2700 E. 18th Street, Suite 261
Kansas City, Missouri 64127

GRANTOR: (for indexing purposes only)

The Kansas City Business Center for
Entrepreneurial Development a/k/a
The Kansas City Business Center for
Entrepreneurial Development, Inc
1601 E. 18th Street, Suite 318
Kansas City, Missouri 64108

LEGAL DESCRIPTION:

See attached Exhibit "A", pages 3-8

When Recorded Return To: Hyatt
First American Title Insurance Company
National Commercial Services
1201 Walnut, Suite 700
Kansas City, MO 64106
File No: NCS 844572

SPECIAL WARRANTY DEED

THIS DEED WITNESSETH, that THE KANSAS CITY BUSINESS CENTER FOR ENTREPRENEURIAL DEVELOPMENT, a Missouri non-profit corporation, a/k/a THE KANSAS CITY BUSINESS CENTER FOR ENTREPRENEURIAL DEVELOPMENT, INC., located at 1601 E. 18th Street, Suite 318, Kansas City, Missouri 64108 ("Grantor"), for and in consideration of the sum of TEN AND NO/100 DOLLARS (\$10.00) does by these presents, BARGAIN, AND SELL, CONVEY AND CONFIRM unto URBAN NEIGHBORHOOD INITIATIVE, INC., located at 2700 E. 18th Street, Suite 261, Kansas City, Missouri 64127 ("Grantee"), the following described real estate, situated, lying and being in the City of Kansas City, County of Jackson and State of Missouri, to wit:

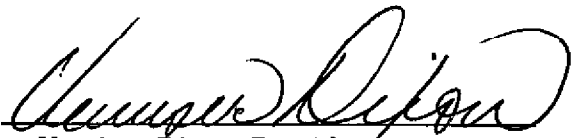
(See Exhibit "A" attached hereto and incorporated herein by reference as if set forth verbatim.)

TO HAVE AND HOLD the premises aforesaid, with all and singular the rights, privileges, appurtenances and immunities thereto; said Grantor hereby covenanting that the said premises are free and clear from any encumbrance done or suffered by it; and that it will warrant and defend the title to said premises unto said Grantee and unto their successors and assigns forever, against the lawful claims and demands of all persons claiming under Grantor, but none other. Subject to the liens of 2017, City, State and County taxes, condemnation notices, and special assessments, if any, and subject to zoning laws, easements and restrictions of record.

THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK

IN WITNESS WHEREOF, said Grantor has caused these presents to be executed under its seal, pursuant to due authority, this 20 day of June, 2017.

THE KANSAS CITY BUSINESS CENTER
FOR ENTREPRENEURIAL DEVELOPMENT,
a Missouri non-profit corporation

By: 
Vewiser Dixon, President

STATE OF MISSOURI)
) ss.
COUNTY OF JACKSON)

On this 20th day of June, 2017, before me, the undersigned, a Notary Public, personally appeared Vewiser Dixon, to me personally known, who being by me duly sworn, did say that he is the President of The Kansas City Business Center for Entrepreneurial Development, a Missouri non-profit corporation, and that the foregoing instrument was signed on behalf of said corporation by the authority of its Board of Directors of said corporation, and the said President acknowledged the foregoing instrument to be the free act and deed of said corporation, and acknowledged to me that he executed the same for the purposes therein.

In witness whereof, I have hereunto set my hand and affixed my notarial seal at my office in said County and State the day and year last above written.


Notary Public

My commission expires: 4/2/18

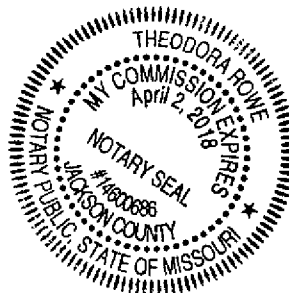


EXHIBIT "A"

LEGAL DESCRIPTION

TRACT 1:

NOTE: THE ADDRESS FOLLOWING EACH LEGAL DESCRIPTION(S) SHOWN BELOW IS THE COMMONLY KNOWN ADDRESS AS PROVIDED BY THE JACKSON COUNTY TAX RECORDS. THE ADDRESSES ARE SHOWN FOR INFORMATIONAL PURPOSES AND EASE OF IDENTIFICATION ONLY.

PARCEL 1:

THE EAST 17 FEET OF LOTS 1 AND 2 AND THE EAST 17 FEET OF THE NORTH 10 FEET OF LOT 3, BLOCK 2, MOUNT EVANSTON, A SUBDIVISION IN KANSAS CITY, JACKSON COUNTY, MISSOURI.

1725 EAST 24TH STREET

PARCEL 2:

THE WEST 38 FEET OF THE EAST 55 FEET OF LOTS 1 AND 2 AND THE WEST 38 FEET OF THE EAST 55 FEET OF THE NORTH 10 FEET OF LOT 3, BLOCK 2, MOUNT EVANSTON, A SUBDIVISION IN KANSAS CITY, JACKSON COUNTY, MISSOURI.

1721 EAST 24TH STREET

PARCEL 3:

THE WEST 40 FEET OF THE EAST 95 FEET OF LOTS 1 AND 2, BLOCK 2, AND THE WEST 40 FEET OF THE EAST 95 FEET OF THE NORTH 10 FEET OF LOT 3, BLOCK 2, MOUNT EVANSTON, A SUBDIVISION IN KANSAS CITY, JACKSON COUNTY, MISSOURI.

1719 EAST 24TH STREET

PARCEL 4:

THE SOUTH 15 FEET OF LOT 3 AND THE NORTH 6.46 FEET OF LOT 4, BLOCK 2, MOUNT EVANSTON, A SUBDIVISION IN KANSAS CITY, JACKSON COUNTY, MISSOURI.

2404 WOODLAND AVENUE

PARCEL 5:

THE SOUTH 18.54 FEET OF LOT 4 AND ALL OF LOT 5, BLOCK 2, MOUNT EVANSTON, A SUBDIVISION IN KANSAS CITY, JACKSON COUNTY, MISSOURI.

2406 WOODLAND AVENUE

PARCEL 6:

LOT 7, BLOCK 2, MOUNT EVANSTON, A SUBDIVISION IN KANSAS CITY, JACKSON COUNTY, MISSOURI.

2412 WOODLAND AVENUE

PARCEL 7:

LOT 9, BLOCK 2, MOUNT EVANSTON, A SUBDIVISION IN KANSAS CITY, JACKSON COUNTY, MISSOURI.

2416 WOODLAND AVENUE

PARCEL 8:

LOT 10, BLOCK 2, MOUNT EVANSTON, A SUBDIVISION IN KANSAS CITY, JACKSON COUNTY, MISSOURI.

2418 WOODLAND AVENUE

PARCEL 9:

THE WEST ½ OF LOT 13, BLOCK 2, MOUNT EVANSTON, A SUBDIVISION IN KANSAS CITY, JACKSON COUNTY, MISSOURI.

NO ADDRESS ASSIGNED- WEST OF 1720 EAST 24TH TERRACE

PARCEL 10:

THE EAST 30 FEET OF THE WEST 92 FEET OF LOTS 14 AND 15, BLOCK 2, MOUNT EVANSTON, A SUBDIVISION IN KANSAS CITY, JACKSON COUNTY, MISSOURI.

1718 EAST 24TH TERRACE

PARCEL 11:

THE EAST 30 FEET OF THE WEST 62 FEET OF LOTS 14 AND 15, BLOCK 2, MOUNT EVANSTON, A SUBDIVISION IN KANSAS CITY, JACKSON COUNTY, MISSOURI.

1716 EAST 24TH TERRACE

PARCEL 12:

THE WEST 32 FEET OF LOTS 14 AND 15, BLOCK 2, MOUNT EVANSTON, A SUBDIVISION IN KANSAS CITY, JACKSON COUNTY, MISSOURI.

1714 EAST 24TH TERRACE

PARCEL 13:

THE EAST 19 FEET OF LOTS 16, 17, 18 AND 19, BLOCK 2, MOUNT EVANSTON, A SUBDIVISION IN KANSAS CITY, JACKSON COUNTY, MISSOURI.

1712 EAST 24TH TERRACE

PARCEL 14:

THE WEST 38 FEET OF THE EAST 57 FEET OF LOTS 16, 17, 18, 19, BLOCK 2, MOUNT EVANSTON, A SUBDIVISION IN KANSAS CITY, JACKSON COUNTY, MISSOURI.

1708 EAST 24TH TERRACE

PARCEL 15:

THE WEST 19 FEET OF THE EAST 76 FEET OF LOTS 16, 17, 18, 19, BLOCK 2, MOUNT EVANSTON, A SUBDIVISION IN KANSAS CITY, JACKSON COUNTY, MISSOURI.

1706 EAST 24TH TERRACE

PARCEL 16:

THE EAST 19 FEET OF THE WEST 56 FEET OF LOTS 16, 17, 18, 19, BLOCK 2, MOUNT EVANSTON, A SUBDIVISION IN KANSAS CITY, JACKSON COUNTY, MISSOURI.

1704 EAST 24TH TERRACE

PARCEL 17:

THE EAST 19 FEET OF THE WEST 37 FEET OF LOTS 16, 17, 18, 19, BLOCK 2, MOUNT EVANSTON, A SUBDIVISION IN KANSAS CITY, JACKSON COUNTY, MISSOURI.

1702 EAST 24TH TERRACE

PARCEL 18:

THE WEST 18 FEET OF LOTS 16, 17, 18, 19, BLOCK 2, MOUNT EVANSTON, A SUBDIVISION IN KANSAS CITY, JACKSON COUNTY, MISSOURI.

1700 EAST 24TH TERRACE

PARCEL 19:

LOT 20, BLOCK 2, MOUNT EVANSTON, A SUBDIVISION IN KANSAS CITY, JACKSON COUNTY, MISSOURI.

2421 HIGHLAND AVENUE

PARCEL 20:

LOT 21 AND 22, BLOCK 2, MOUNT EVANSTON, A SUBDIVISION IN KANSAS CITY, JACKSON COUNTY, MISSOURI.

2419 HIGHLAND AVENUE

PARCEL 21:

LOT 23, BLOCK 2, MOUNT EVANSTON, A SUBDIVISION IN KANSAS CITY, JACKSON COUNTY, MISSOURI.

2415 HIGHLAND AVENUE

PARCEL 22:

LOT 24, BLOCK 2, MOUNT EVANSTON, A SUBDIVISION IN KANSAS CITY, JACKSON COUNTY, MISSOURI.

2413 HIGHLAND AVENUE

PARCEL 23:

LOT 25, BLOCK 2, MOUNT EVANSTON, A SUBDIVISION IN KANSAS CITY, JACKSON COUNTY, MISSOURI.

2411 HIGHLAND AVENUE

PARCEL 24:

LOT 27, BLOCK 2, MOUNT EVANSTON, A SUBDIVISION IN KANSAS CITY, JACKSON COUNTY, MISSOURI.

2407 HIGHLAND AVENUE

PARCEL 25:

LOT 29 AND LOT 30, BLOCK 2, MOUNT EVANSTON, A SUBDIVISION IN KANSAS CITY, JACKSON COUNTY, MISSOURI.

2401 AND 2403 HIGHLAND AVENUE

TRACT 2:

NOTE: THE ADDRESS FOLLOWING EACH LEGAL DESCRIPTION(S) SHOWN BELOW IS THE COMMONLY KNOWN ADDRESS AS PROVIDED BY THE JACKSON COUNTY TAX RECORDS. THE ADDRESSES ARE SHOWN FOR INFORMATIONAL PURPOSES AND EASE OF IDENTIFICATION ONLY.

PARCEL 1:

ALL OF LOT 31 AND THE NORTH 2 FEET OF LOT 32, COWHERD'S VINE STREET ADDITION, A SUBDIVISION IN KANSAS CITY, JACKSON COUNTY, MISSOURI.

PARCEL 2:

THE SOUTH 23 FEET OF LOT 32 AND THE NORTH 7 FEET OF LOT 33, COWHERD'S VINE STREET ADDITION, A SUBDIVISION IN KANSAS CITY, JACKSON COUNTY, MISSOURI.

PARCEL 3:

THE SOUTH 18 FEET OF LOT 33 AND THE NORTH 12 FEET OF LOT 34, COWHERD'S VINE STREET ADDITION, A SUBDIVISION IN KANSAS CITY, JACKSON COUNTY, MISSOURI.

2431 HIGHLAND AVENUE (PARCELS 1, 2 AND 3)

PARCEL 4:

THE SOUTH 13 FEET OF LOT 34 AND THE NORTH 17 FEET OF LOT 35, COWHERD'S VINE STREET ADDITION, A SUBDIVISION IN KANSAS CITY, JACKSON COUNTY, MISSOURI.

PARCEL 5:

THE SOUTH 8 FEET OF LOT 35 AND THE NORTH 22 FEET OF LOT 36, COWHERD'S VINE STREET ADDITION, A SUBDIVISION IN KANSAS CITY, JACKSON COUNTY, MISSOURI.

2437 HIGHLAND AVENUE (PARCELS 4 AND 5)

PARCEL 6:

THE SOUTH 3 FEET OF LOT 36, ALL OF LOT 37 AND THE NORTH 2 FEET OF LOT 38, COWHERD'S VINE STREET ADDITION, A SUBDIVISION IN KANSAS CITY, JACKSON COUNTY, MISSOURI.

PARCEL 7:

THE SOUTH 23 FEET OF LOT 38 AND THE NORTH 7 FEET OF LOT 39, COWHERD'S VINE STREET ADDITION, A SUBDIVISION IN KANSAS CITY, JACKSON COUNTY, MISSOURI.

2441 HIGHLAND AVENUE (PARCELS 6 AND 7)

PARCEL 8:

THE SOUTH 18 FEET OF LOT 39 AND THE NORTH 12 FEET OF LOT 40, COWHERD'S VINE STREET ADDITION, A SUBDIVISION IN KANSAS CITY, JACKSON COUNTY, MISSOURI.

PARCEL 9:

THE SOUTH 13 FEET OF LOT 40 AND THE NORTH 17 FEET OF LOT 41, COWHERD'S VINE STREET ADDITION, A SUBDIVISION IN KANSAS CITY, JACKSON COUNTY, MISSOURI.

2445 HIGHLAND AVENUE (PARCELS 8 AND 9)

PARCEL 10:

THE SOUTH 8 FEET OF LOT 41 AND THE NORTH 20 FEET OF LOT 42, COWHERD'S VINE STREET ADDITION, A SUBDIVISION IN KANSAS CITY, JACKSON COUNTY, MISSOURI.

PARCEL 11:

THE SOUTH 5 FEET OF LOT 42 AND THE NORTH 22.5 FEET OF LOT 43, COWHERD'S VINE STREET ADDITION, A SUBDIVISION IN KANSAS CITY, JACKSON COUNTY, MISSOURI.

2449 HIGHLAND AVENUE (PARCELS 10 AND 11)

PARCEL 12:

THE SOUTH 2.5 FEET OF LOT 43 AND ALL OF LOT 44, COWHERD'S VINE STREET ADDITION, A SUBDIVISION IN KANSAS CITY, JACKSON COUNTY, MISSOURI.

PARCEL 13:

THE WEST 81 FEET OF LOT 45, COWHERD'S VINE STREET ADDITION, A SUBDIVISION IN KANSAS CITY, JACKSON COUNTY, MISSOURI.

2453 HIGHLAND (PARCELS 12 AND 13)

PARCEL 14:

THE EAST 50 FEET OF LOT 45, COWHERD'S VINE STREET ADDITION, A SUBDIVISION IN KANSAS CITY, JACKSON COUNTY, MISSOURI.

1708 E 25TH STREET

PARCEL 15:

THE NORTH 16 FEET OF LOT 49 AND THE SOUTH 12 FEET OF LOT 50, COWHERD'S VINE STREET ADDITION, A SUBDIVISION IN KANSAS CITY, JACKSON COUNTY, MISSOURI.

PARCEL 16:

THE NORTH 13 FEET OF LOT 50 AND THE SOUTH 15 FEET OF LOT 51, COWHERD'S VINE STREET ADDITION, A SUBDIVISION IN KANSAS CITY, JACKSON COUNTY, MISSOURI.

2446 WOODLAND AVENUE (PARCELS 15 AND 16)

PARCEL 17:

THE NORTH 10 FEET OF LOT 51 AND THE SOUTH 18 FEET OF LOT 52, COWHERD'S VINE STREET ADDITION, A SUBDIVISION IN KANSAS CITY, JACKSON COUNTY, MISSOURI.

PARCEL 18:

THE NORTH 7 FEET OF LOT 52 AND THE SOUTH 23 FEET OF LOT 53, COWHERD'S VINE STREET ADDITION, A SUBDIVISION IN KANSAS CITY, JACKSON COUNTY, MISSOURI.

2442 WOODLAND AVENUE (PARCELS 17 AND 18)

PARCEL 19:

THE NORTH 2 FEET OF LOT 53, ALL OF LOT 54 AND THE SOUTH 3 FEET OF LOT 55, COWHERD'S VINE STREET ADDITION, A SUBDIVISION IN KANSAS CITY, JACKSON COUNTY, MISSOURI.

2440 WOODLAND AVENUE



ELECTRONICALLY RECORDED
JACKSON COUNTY, MISSOURI
01/16/2019 04:43:10 PM
WD FEE: \$ 30.00 4 Pages

INSTRUMENT NUMBER:
2019E0003810

SPECIAL WARRANTY DEED
Non-Profit Corporation

THIS INDENTURE is made on the 29th day of December, 2018, by and between **KANSAS CITY, MISSOURI HOMESTEADING AUTHORITY**, a non-profit corporation organized and existing under the laws of Missouri, with its principal place of business in Kansas City, Jackson County, Missouri (hereinafter referred to as "Grantor") and **Urban Neighborhood Initiative, Inc.**, a non-profit corporation organized and existing under the laws of Missouri, with its principal place of business in the County of Jackson, State of Missouri (hereinafter referred to as "Grantee"). The mailing address of Grantee is Two Pershing Square 2300 Main Street, Suite 180, Kansas City, Missouri 64108

WITNESSTH, that the said Grantor, in consideration of the sum of TEN DOLLARS AND OTHER VALUABLE CONSIDERATIONS, the receipt and sufficiency of such consideration by the Grantee is hereby acknowledged, does by these presents, SELL and CONVEY unto Grantee, and unto its successors and assigns, the following described lots, tracts or parcels of land lying, being and situate in City of Kansas City, Jackson County, Missouri, together with any improvements now or hereafter constructed thereon, to wit:

Lot 26, Block 2, MOUNT EVANSTON, a subdivision in Kansas City, Jackson County, Missouri, according to the recorded plat thereof; [currently being Tax Parcel No. 29-630-15-09-00-0-00-000]; more commonly known as 2409 Highland Avenue, Kansas City, Missouri 64108; And

Lot 28, Block 2, MOUNT EVANSTON, a subdivision in Kansas City, Jackson County, Missouri, according to the recorded plat thereof; [currently being Tax Parcel No. 29-630-15-07-00-0-00-000]; more commonly known as 2405 Highland Avenue, Kansas City, Missouri 64108; And

(hereinafter collectively described as "Property").

"COMMERCIAL"

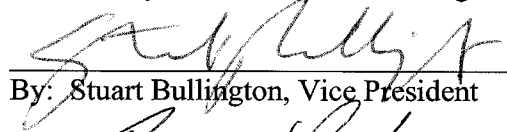
01109-51536/51537
STEWART TITLE
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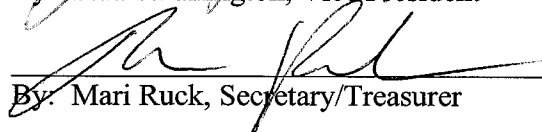
Subject to building lines, easements, reservation, restrictions, covenants and conditions of record, if any, and to any zoning law or ordinance affecting the herein Property described;

TO HAVE AND TO HOLD the premises aforesaid, with all and singular the rights, privileges, appurtenances and immunities thereunto belonging or in anywise appertaining unto said Grantee, and unto his/her/its/their heirs and assigns, forever; so that neither Grantor nor any successor or assigns nor any other person or persons, for it or in its name or behalf, shall hereinafter claim or demand any right or title to the aforesaid premises or any part thereof, but they and each of them shall, by these presents, be excluded and forever barred; excepting, however, the general taxes for the calendar year of sale and thereafter, and special taxes becoming a lien after the date of this deed.

IN WITNESS WHEREOF, the Grantor has caused this Special Warranty Deed to be executed by two authorized Officers who have hereto set their hands to this Special Warranty Deed executed the day so noted below on behalf of such Grantor.

Kansas City, Missouri Homesteading Authority


By: Stuart Bullington, Vice President


By: Mari Ruck, Secretary/Treasurer

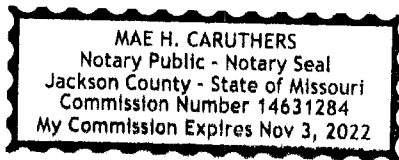
ACKNOWLEDGMENT

STATE OF MISSOURI)
) ss.
COUNTY OF JACKSON)

BE IT REMEMBERED that on this 28th day of December, 2018, before me appeared Stuart Bullington, personally known, who being by me duly sworn did say that he is the Vice President the Kansas City, Missouri Homesteading Authority, a Missouri non-profit corporation, and who executed the forgoing instrument, and acknowledged that he executed the same as his free act and deed.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my Notarial Seal subscribed and affixed in said County and State, the day and year in this Certificate above written.

[Seal]



Mae H. Caruthers
Notary Public
Printed Name: Mae H. Caruthers
My Appointment Expires: _____

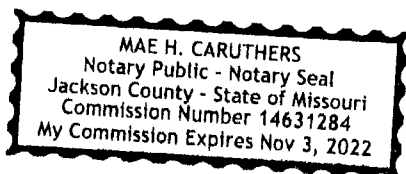
ACKNOWLEDGMENT

STATE OF MISSOURI)
) ss.
COUNTY OF JACKSON)

BE IT REMEMBERED that on this 28th day of December, 2018, before me appeared Mari Ruck to me personally known, who being by me duly sworn did say that she is the Secretary/Treasurer of the Kansas City, Missouri Homesteading Authority, a Missouri non-profit corporation, and who executed the forgoing instrument, and acknowledged that she executed the same as her free act and deed.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my Notarial Seal subscribed and affixed in said County and State, the day and year in this Certificate above written.

[Seal]



Mae H. Caruthers
Notary Public
Printed Name: Mae H. Caruthers
My Appointment Expires: _____

EXERCISE NOTICE

Pursuant to the Purchase Option Agreement dated September 28, 2016 and as amended on December 12th, 2017 Optionee will exercise their option on the following properties:

2409 Highland Avenue PID: 29-630-15-09-00-0-00-000

2405 Highland Avenue PID: 29-630-15-07-00-0-00-000

OPTIONOR:

Kansas City Missouri Homestead Authority

By: [Signature]

Name: MARI RUCIK

Title: TREASURER

Date: 12/28/18

By: [Signature]

Name: STUART BULLWIGZOW

Title: President

Date: 12/28/18

OPTIONEE:

Urban Neighborhood Initiative Inc.

By: [Signature]

Name: Dianne Cleaver

Title: President & CEO

Date: 12-17-18

4A PROJECT DESCRIPTION

1. Development Characteristics: describe the type of development, population served, design, amenities, services, and whether this project will be part of a phased development.

Type of Development

The Crescendo is the first residential phase of Urban Neighborhood Initiative's (UNI) Purpose Built Communities neighborhood revitalization effort. The **Crescendo**, once completed, will be comprised of 39 one, two and three bedroom units built in townhome and apartment styles just blocks from 18th and Vine and Lincoln Preparatory Academy (middle and upper schools) some of the best public schools in the state of Missouri.

Population Served

The population served will be families. However, seniors may be interested in some of the units on the site as well.

Design

The development team led a community planning process that collected and ranked ideas and design concepts for the project. The development team then hired Rosemann, an experienced architect that has completed other projects for Brinshore, to implement the final design based on community feedback.

The design incorporates the richness of the architectural vocabulary of the urban core of Kansas City. Placed on the street with parking in the rear, these new homes mimic the neighborhood's established development patterns. A central community building assists programming and education for the residents and a centralized location for community gatherings. The durable exterior materials and color mix highlights the individual character of each residence while ensuring long-term durability for both developer and resident. Sustainable certification with the National Association of Home Builders (NAHB) bronze provides reduced maintenance and operations cost, while offering a healthy living environment to resident families

Development Amenities

Development amenities include a community plaza with greenspace, a community room with kitchen and on-site management office space as well as space for UNI and neighborhood groups. The development will contain modern finishes and energy efficient fixtures and appliances. The development features off-street parking and commanding views of the KC skyline.

Neighborhood Amenities

Other neighborhood amenities include Lincoln College Preparatory Academy, Missouri's highest ranking high school, which is also walking distance from the site. Within 7 blocks of the site is a newly developed grocery anchored shopping center at 31st and Prospect, the Historic Jazz District, the Gregg Klice Community Center, the Kansas City Major League Baseball (MLB) Urban Youth Academy, medical services and employment at the Health Sciences District on Hospital

Hill, and easy access to 71 Highway and the downtown central business district. Kansas City Public Schools (KCPS) released an RFI to redevelop the former Wendell Phillips school building. UNI with support of the development team responded and proposed to create an “Accelerator” building in the former Wendell Phillips School, modeled after Brinshore’s development in Omaha (www.highlanderomaha.com). See more information in section 7 of this project narrative.

Services

Phoenix Family Services will provide a service coordinator on-site to provide individual case management to residents. Phoenix will be housed in the community building. Phoenix will provide a broad level of support to residents. Horizon Family Foundation (HHF) will also provide support. More information is in the service enriched housing section.

Phased Development

Crescendo will be the first of several housing development phases within the immediate area as part of UNI’s Purpose Built Communities initiative. UNI owns or has the option on 90 parcels in the area and has an agreement with Habitat for Humanity to develop 24 of the parcels, primarily with new builds but to include a few rehabs. UNI is also in the process of rehabbing a home for sale to a low-moderate income family in the neighborhood.

UNI has also proposed redeveloping the former Wendell Phillips school building across the street from Crescendo at 1619 East 24th Terr into the “Wendell Phillips Accelerator,” modeled after an exemplary development initiated by Omaha’s Purpose Built Community, Seventy-five North with Brinshore as developer. See more information in section 7 of this project narrative on the Accelerator.

2. Market Characteristics: describe the rent structure and how those rents compare with other affordable and market rate properties in the area. Also discuss how the application will address the relevant housing needs and what this development brings to the market that the comparable properties do not.

The project compares favorably to other LIHTC units in the area with rents intentionally affordable to a broad range of household income levels. The Crescendo team’s goal in line with that of Purpose Built Communities, is to ensure that we are serving as many households as possible. On the market rate side, the development provides a strong pricing incentive to move to the neighborhood and create a mixed-income neighborhood. Overall the project’s weighted rent advantage is 33%. A summary of our market rate rent advantage is shown on the following page:

ACHIEVABLE MARKET RENTS - DEVELOPER'S PROPOSED

Unit Type	% of AMI	# of Units Per Unit Type	Subject's Proposed Rent	Achievable Market Rents	% Rent Advantage/ Disadvantage	Unit %	Weighted Overall Rent Advantage/ Disadvantage
1BR / 1BA	30%	2	\$355	\$900	60.6%	5.1%	3.1%
2BR / 1BA	30%	2	\$410	\$1,050	61.0%	5.1%	3.1%
3BR / 1BA	30%	2	\$445	\$1,200	62.9%	5.1%	3.2%
1BR / 1BA	40%	1	\$410	\$900	54.4%	2.6%	1.4%
2BR / 1BA	40%	1	\$490	\$1,050	53.3%	2.6%	1.4%
3BR / 1BA	40%	2	\$600	\$1,200	50.0%	5.1%	2.6%
1BR / 1BA	50%	1	\$500	\$900	44.4%	2.6%	1.1%
2BR / 1BA	50%	2	\$600	\$1,050	42.9%	5.1%	2.2%
3BR / 1BA	50%	4	\$700	\$1,200	41.7%	10.3%	4.3%
1BR / 1BA	60%	3	\$675	\$900	25.0%	7.7%	1.9%
2BR / 1BA	60%	3	\$825	\$1,050	21.4%	7.7%	1.6%
3BR / 1BA	60%	7	\$925	\$1,200	22.9%	17.9%	4.1%
1BR / 1BA	70%	2	\$725	\$900	19.4%	5.1%	1.0%
2BR / 1BA	70%	1	\$900	\$1,050	14.3%	2.6%	0.4%
3BR / 1BA	70%	2	\$1,050	\$1,200	12.5%	5.1%	0.6%
1BR / 1BA	80%	1	\$775	\$900	13.9%	2.6%	0.4%
2BR / 1BA	80%	1	\$950	\$1,050	9.5%	2.6%	0.2%
3BR / 1BA	80%	2	\$1,120	\$1,200	6.7%	5.1%	0.3%
Total		39				100%	33.0%

The market is within a concerted revitalization effort led by Urban America, Brinshore, UNI and other actors. Located down the Vine Street corridor from 18th and Vine area where the city has made considerable investments, Crescendo will serve as an important development on the south edge of the revitalization area.

Between the Crescendo and 18th and Vine, Urban America is creating a mixed-use village called Enterprise Village Ecosystem (EVE) to regenerate Kansas City's world renowned 18th & Vine Jazz District. EVE is to be developed through a collaboration of UrbanAmerica, one of the nation's leading urban development companies founded by Richmond McCoy and 18th & Vine Redevelopment Corporation.

This 21.47-acre Master Planned Development at the nexus of Kansas City's Google Fiber network will be an Innovation Campus consisting of single- and multi-family residential, a state-of-the-art "living laboratory". The living laboratory will co-locate diverse academic institutions, technology and emerging tenants, entertainment and regional retail, restaurants, hospitality & conference space and an event facility/co-located work environment second to none in the region.

The Sponsors, which have a track record for successful master development in urban communities throughout the United States, envision EVE as a Live Work Eat Play Shop neighborhood within walking distance of tremendous Kansas City assets, including Hospital Hill, Historic 18th & Vine Jazz District, Crossroad Art District and Downtown Kansas City. By leveraging both private and public institutions, EVE will become a centerpiece in the revitalization of the

South Vine Street District. The first phase of this master plan is made up 36 market rate high efficiency (net zero) single family infill that is expected to break ground in 2021.

Up the hill, three blocks from Crescendo, is Mt. Prospect, a new single family subdivision which includes houses starting in the \$300,000 range. Many are pre-sold and currently under construction.

Along Vine Street are two MHDC financed developments, Vine Street Lofts and Longfellow Heights. These developments have high occupancy rates with wait lists.

3. Development Team Characteristics*: explain the key development team members and highlight experience with similar development types.
--

The Development Team includes:

UNI is a local non-profit dedicated to revitalizing the urban core neighborhoods in Kansas City, MO. The Crescendo will be the organizations first development project in Kansas City, Missouri. However, a member of the UNI team has 15 years' experience in development with the city of Minneapolis and with a nonprofit CDC in that city. In addition UNI has strong backing from an array of local and national neighborhood, institutional and corporate partners.

Founded in 1995, **Brinshore Development, LLC** is a private firm specializing in the development of mixed-income housing. David Brint and Richard Sciortino, Brinshore's principals, each gained a decade worth of real estate development experience in affordable housing prior to co-founding Brinshore Development. Their expertise in all aspects of real estate development helped to formulate a business plan that includes project conception through construction completion, ownership, and asset management.

To date, Brinshore has completed more than seventy five total developments, comprised of over 7,000 apartments and homes valued at more than \$1.4 billion. Brinshore is one of the Midwest's largest and most successful housing development firms in the affordable housing market. Their professional staff possess a wealth of experience in using complex funding mechanisms to make its rental units affordable to families across the income spectrum, financing projects with Low Income Housing Tax Credits and other forms of unconventional debt. Brinshore has built a diverse portfolio including developments targeted at families with low to moderate incomes, senior communities, and a mix of market rate units.

Brinshore Development specializes in the development of mixed-income housing by blending public and private resources. Brinshore is able to develop financially successful rental and home ownership options affordable to community residents. All of Brinshore's developments are conceived with input and cooperation from local community officials and organizations, and best efforts are put forth to provide employment opportunities for community residents. This combination of public, private and community involvement has proven to be an effective formula for successful residential developments.

Rosemann & Associates P.C. an experienced architectural firm has designed similar multifamily developments throughout the Midwest. One highlighted here is Village at Del Mar in St. Louis MO. The Village at Delmar Place is the site of infill housing in an established east end neighborhood. An interesting combination of three and four bedroom affordable rent-to-own townhomes, combined with two and three bedroom rental flats, creates a social and economic mix that enriches this older neighborhood.

Consulting Engineers:

- MEP – Custom Engineering (MBE)
- Civil Engineer – Taliaferro and Browne (MBE)
- TSI – Geotechnical (WBE)
- New Horizons – Environmental and Radon (WBE)

Construction:

Straub Construction is an award-winning general contractor, specialized in building spaces that serve our community. Over the past 10 years, Straub Construction has performed \$113 Million of MHDC projects and \$26 Million of HUD projects.

The development team will significantly exceed MHDC MBE/WBE goals. Below are our goals for the project.

- MBE Participation: at least 15% construction and 28% professional services
- WBE Participation: at least 10% construction and 11% professional services

Property Management:

Universal Management Inc. (UMI) has extensive LIHTC, public housing, and Section 8 management experience. Taking advantage of the operating momentum achieved down the street in the Paseo Gateway, UMI will establish a strong management presence at the property and work closely with Phoenix Family Services, the supportive service provider, to foster a well-regulated and supportive environment for residents.

4. Financial Feasibility: provide a description of anything unusual regarding feasibility that may not be obvious from looking at the rest of the submitted information. Provide any unusual milestones or approval processes that will need to be reached in order to proceed to firm commitment and closing in a timely manner. Also describe the level of contact you have had with the syndicator or investor providing the equity letter supplied with the application.

Site Ready Development

The project will be purchased by Crescendo UNI, LLC in a “site ready” condition with remediation and sitework completed.

Zoning and Speed

The project will require a zoning amendment to its current UR zone. As described in the zoning letter, the Crescendo team has already started the process of amending the zone. This process should be complete by the end of the year. We believe that we can submit for permits and close by March 2022 and be complete in 14 months (May 2023). We have met several times with the City and have a firm understanding of all required front end entitlements/zoning that could slow down the project. Our schedule and track record should provide MHDC confidence that the project will be placed-in-service in 2023.

221(d)(3) Limits

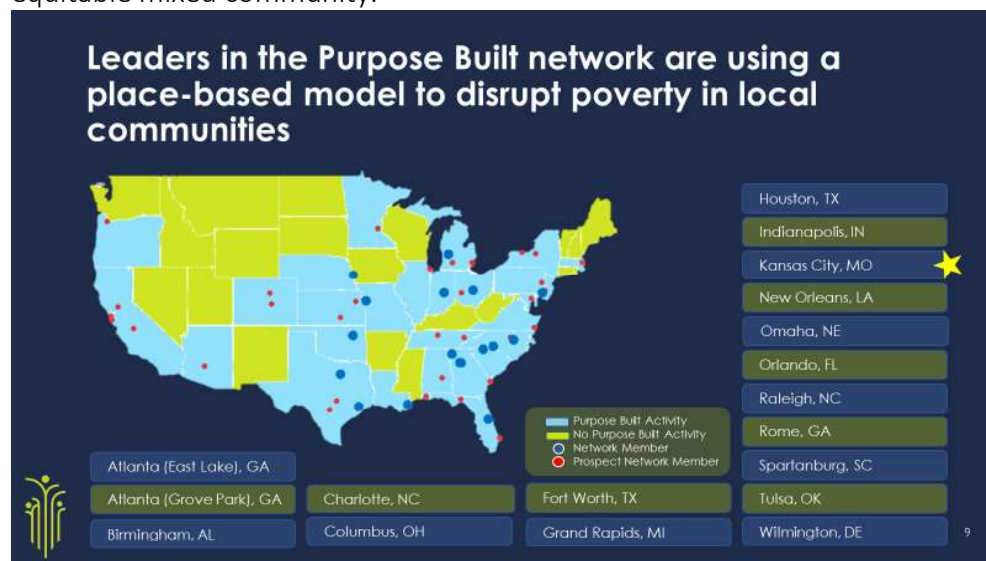
The total development costs are LESS than total development cost cap.

Syndicator/Investor

We shared underwriting with The Richman Group and Sugar Creek Capital, with whom Brinshore has closed over twenty (20) and two transactions, respectively. The construction lender, BMO Harris, also reviewed our underwriting, has experience in affordable housing and is excited to work on this transaction.

5. Community Impact: explanations of the level of local support/opposition, catalytic effect and how the Application will address the needs of the community.

The Wendell Phillips Neighborhood Association has been working with UNI as early as its formation in an effort to make sure that one of Kansas City's most distressed neighborhoods received the attention and resources it needed. UNI selected the Wendell Phillips Neighborhood as an area of development focus and became the 16th Purpose Built Communities (PBC) network member to implement the PBC model and place based approach to develop a healthy and equitable mixed community.



Purpose Built Communities Model developed in Atlanta, Georgia in 2009 after the successful transformation of the East Lake neighborhood in Atlanta. And is now replicated 25 cities

nationwide. The Purpose Built Community model encourages holistic revitalization through a shared focus on mixed-income housing, education and community wellness. Below is a summary of the success of East Lakes PBC.



In January of 2018, Brinshore Development responded to an RFQ from the Urban Neighborhood Initiative (UNI) for developers to partner in revitalizing the Wendell Phillips Neighborhood in accordance to the Purpose Built Model. The overall redevelopment strategy for the Wendell Phillips neighborhood is to create a catalytic area (PBC area) that would extend north as part of a future infill development strategy- creating a connection to revitalization efforts in and around the Historic 18th & Vine District.

The Wendell Phillips neighborhood is made up of 52% vacant lots some of which have grown into heavy vegetation over the years. The existing housing stock is aging, 68% of the housing was built prior to 1969. Of the housing that exists a good portion is substandard single-family rental. There are some long-time homeowners sprinkled throughout the neighborhood that really take pride in their neighborhood, however Wendell Phillips is lacking population density due to lack of housing and housing choice. Thirty-three percent of Wendell Phillips residents are at or below the poverty line.

Quality affordable housing is a need, but also higher levels of income will be important to neighborhood transformation. There is strong evidence that low-income children and families achieve better outcomes when they live in a mixed-income neighborhood.

The Crescendo is a critical component of that redevelopment strategy. The Crescendo will serve as a model block, providing a blue print and proof of concept for future mixed-use, mixed-income revitalization projects. Additionally, The Crescendo is fulfilling an important market demand for mixed-income housing targeting families, seniors and households with children.

This has been demonstrated in communities across the country and we hope to show those benefits with this development. There is a need to incorporate affordable units in development to avoid displacement of existing residents. This application will address the needs of the community by bringing quality rental housing for a mix of households and incomes as well as additional community space for future residents with the anticipation of catalyzing additional development nearby.

An additional level of support is with the City of Kansas City through the Catalytic Urban Revitalization Initiative (KC CUR) in which they are a partner with UNI, Local Initiative Support Corporation (LISC), Mid America Regional Council (MARC) and Urban Land Institute of Kansas City (ULI). The plan identified four focus areas to catalyze new development, spark additional public and private investment and support job creation and small business development. The Wendell Phillips Neighborhood is one of the four focus areas.

All stakeholders engaged have expressed support for our team's redevelopment plan and have provided valuable feedback to strengthen the impact of the project.

This application includes the following letters of support from local groups, stakeholders, and elected officials:

- Kansas City Public Schools
- Purpose Built Communities
- Wendell Phillips Neighborhood Association,
- Boston Heights/Mount Hope Neighborhood Association,
- Missouri State Representative Barbara Washington
- 3rd District Councilwoman Melissa Robinson

6. Narrowing the Digital Divide: specifically address compliance with the HUD Broadband Rule and how the development will comply with the Rule.
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The development will meet this requirement in accordance with Narrowing the Digital Divide Through Installation of Broadband Infrastructure in New Construction and Substantial Rehabilitation of Multifamily Rental Housing, 81 FR 92626 (the "HUD Broadband Rule"). We will pre-wire the building and endeavor to provide residents with as much choice as possible in service, depending on provider coverage.

7. Other Salient Information: provide any information or description of the development that explains any unique or important characteristics that would help MHDC better understand what you are trying to accomplish.
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Future Redevelopment of the Kansas City Neighborhood Academy School Building

Located across the street from the development site is the Kansas City Neighborhood Academy facility, a former charter school established by UNI in partnership with the Kansas City Public

School District. The school is now closed due to low enrollment and a high number of seats across the district. The school district unfortunately has excess facility space due to declining population within KCPS boundaries, expansion of charter schools and overall low enrollment. Therefore the building remains closed. However, now that it is closed, we have the opportunity to redevelop the school into a multiuse facility that serves the community in which it is located. See attached letter of support from KCPS for the Crescendo project in Section 10i.

UNI and team submitted a proposal in December of 2019 to renovate the former Wendell Phillips school building into the Wendell Phillips Accelerator. The goal of the Accelerator is to engage, educate and enrich the Wendell Phillips neighborhood alongside the Crescendo housing development that will be built across Highland Avenue. In early 2021 KCPS staff shared that they expect to declare the former school building as surplus, and would be open to accepting an offer from UNI to purchase the building. UNI is working to submit an offer to purchase the building for the stated proposed use.

The Wendell Phillips Accelerator concept is inspired by the “Accelerator” concept in Omaha for which Brinshore was the developer and which other communities are working to replicate. UNI reached out to tenants whose mission aligned with ours and who were interested in creating an ecosystem of services and educational opportunities that support each other. The following organizations have expressed interest in leasing space in the building and we have obtained letters of interest to occupy portions of this space from Metropolitan Community College (MCC), The Prospect: Culinary School & Urban Eatery, The Arts Collaborative lead by the GEM Cultural and Education Center and Mid America Regional Council, (MARC). In addition, the Director of Early Learning at MARC has committed to help us identify a quality early learning provider for the building’s preschool classrooms.

MCC has a well thought-out plan for this space as the hub for MCC’s continuing education and community service programming and has identified financial supporters for additional program implementation. The Prospect Culinary School & Urban Eatery will be the first of its kind in Kansas City and is currently implementing its Real People Real Food Programming by delivering nutrient dense meals to individuals, families, and senior citizen housing. A local successful chef and business owner who started the non-profit organization is implementing the national model called Catalyst Kitchens. The Catalyst Kitchens programming is a successful national model working to assist individuals who experience life challenges such as homelessness or teens born to poverty through job training and life skills support. The program engages non-profit partners to carry out this mission. The program provides pathways to jobs through a culinary and food service training model. Catalyst Kitchens is a global initiative of Seattle-based FareStart which is an adult culinary program that provides tools, training and support to get long term good paying jobs. The Prospect Culinary School & Urban Eatery has met its fundraising goal to engage Catalyst Kitchens and is now nationally recognized as a Catalyst Kitchens network member and working directly with a consultant.

The largest tenant of the space will be the Gem Cultural and Educational Centers Arts Collective. Gem is a 25 year old minority run nonprofit arts organization whose mission is to promote and

develop visual and performing artists to become a leader in arts-in-education programming, and to be a catalyst for community development utilizing the arts in a holistic fashion. GEM has worked to develop a STEAM Innovation Project focused on visual and performing arts, film, technology, and science in lab like settings. They will use the space for both audio and visual productions and for training.

In addition to the repurpose of the school building across the street with these three anchor tenants; UNI and MARC are partnering on the implementation of a green infrastructure training facility. Kansas City, MO residents and organizations are often encouraged to integrate green infrastructure such as urban agriculture and other environmental restoration and conservation land management practices into their community revitalization and quality of life plans. Such efforts improve public health, increase property values and create opportunities for workforce development. While many residents and organizations embrace these concepts to improve their neighborhood, aging leadership and limited resources impede their capacity to initiate the development of these green spaces and maintain them. The training facility will serve the dual purpose of providing a curriculum and physical conditioning needed to maintain green spaces and provide certified training that will qualify individuals for careers in land management. The location of the training facility will be on KCPS open land just north of the school building.

Also, UNI is dialoging with Operation Breakthrough, a well-known early learning provider in Kansas City who has expressed interest in operating the two preschool classrooms in the building. Operation Breakthrough is recognized as a quality provider who can provide community-based care and education in the area. Quality early learning is foundational to long term educational outcomes, is greatly needed and is complimentary to the other partners interested in locating in the building. MARC's Department of Early Learning, a leader and coordinator of early learning in the region, has committed to supporting UNI in getting a quality early learning program in place. UNI and KCPS will host a site visit for Operation Breakthrough to view the space on May 14th.