

FUNDING AGREEMENT

This Funding Agreement ("Agreement") is entered into effective as of March ____, 2022, by and between SEMREF CROSSROADS, LLC, a Delaware limited liability company (the "Company"), and the LAND CLEARANCE FOR REDEVELOPMENT AUTHORITY OF KANSAS CITY, MISSOURI, a public body corporate and politic (the "Authority").

RECITALS

A. The Authority is a public body corporate and politic created by the Land Clearance for Redevelopment Authority Law, Section 99.300, et seq., of the Revised Statutes of Missouri and is transacting business and exercising the powers granted by the Land Clearance for Redevelopment Authority Law by virtue of Committee Substitute for Ordinance No. 16120, duly passed by the City Council of the City of Kansas City, Missouri, November 21, 1952.

B. The Company is a Delaware limited liability company with offices at 5700 Griffin Road, Davie, FL 33314.

C. The Authority and Arterra 21, LLC, a Missouri limited partnership ("Original Redeveloper"), entered into a Redevelopment Contract (the "Redevelopment Contract") dated March 25, 2015 and recorded as Document No. 2015E0041702 for the purpose of facilitating redevelopment of the property at 2100 Wyandotte and the construction of a building containing approximately 116 market rate apartments, parking and first floor commercial space ("Project"). Subject to the terms and conditions of the Redevelopment Contract, the Authority agreed to issue a Certificate of Qualification for Tax Abatement to facilitate the Project and eliminate the blight conditions found to exist within the Arterra 21/2100 Wyandotte Urban Renewal Area. The Project is to be carried out in accordance with the Redevelopment Contract and the Arterra 21/2100 Wyandotte Urban Renewal Plan.

D. Original Redeveloper and Arterra, LLC, a Missouri limited liability company ("Arterra"), Arterra entered into a purchase agreement pursuant to which Arterra acquired the Project and the Original Redeveloper separately assigned all of its rights, obligations, title and interests, as Redeveloper, in, to, and under the Redevelopment Contract to Arterra, as evidenced by the Assignment and Assumption of Redevelopment Contract dated July 7, 2016, and recorded on July 8, 2016, as Instrument No. 2016E0061650.

E. The Authority and Arterra entered into that certain Funding Agreement (the "Original Funding Agreement") dated July 7, 2016, pursuant to which the Arterra agreed to pay certain costs and fees incurred or charged by the Authority in connection with the Project, including the Authority's attorney's fees.

F. The Authority and the Arterra entered into that certain Amended and Restated Sale/Leaseback and Redevelopment Contract dated June 22, 2017, and recorded on June 23, 2017, as Instrument No. 2017E0056639 (the "Amended and Restated Redevelopment Contract"), to facilitate Arterra's construction of the Project. Capitalized terms not otherwise defined in this Assignment shall have the meaning as defined in the Amended and Restated Redevelopment Contract.

G. To implement the tax incentives as described in the Amended and Restated Redevelopment Contract, Arterra conveyed the Property to the Authority by the Special Warranty Deed recorded on June 23, 2017, as Instrument No. 2017E0056734, and the Authority leased the Property to Arterra pursuant to the Real Property Lease (the "Lease") dated June 22, 2017, as evidenced by the

Memorandum of Real Property Lease (the “Memorandum of Lease”) recorded on June 23, 2017, as Instrument No. 2017E0056735.

H. Arterra completed the Project and, as contemplated in the Amended and Restated Redevelopment Contract, the Authority and Arterra terminated the sale/leaseback transaction, as evidenced by the Special Warranty Deed recorded on September 23, 2019, as Instrument No. 2019E0076088, pursuant to which the Authority conveyed title to the Property back to Arterra, and the Termination of Lease and Memorandum of Real Property lease recorded on September 23, 2019, as Instrument No. 2019E0076089, pursuant to which the Lease was terminated.

I. The Authority issued its Certificate of Qualification for Tax Abatement dated October 2, 2019 (“Tax Abatement Certificate”) for the Project effective January 1, 2019 through December 31, 2028.

J. Arterra and the Company have entered into a purchase agreement pursuant to which the Company intends to acquire the Project and Arterra desires to assign all if its rights, title and interests in the Amended and Restated Redevelopment Contract to the Company and the Company desires to assume all of Arterra’s rights, obligations, title and interests in the Amended and Restated Redevelopment Contract from Arterra and to assume and perform observe, discharge, and otherwise comply with each and every one of the agreements, duties, obligations, covenants and undertakings to be kept and performed under the Amended and Restated Redevelopment Contract, as evidenced by the Assignment, Assumption and Amendment of Amended and Restated Sale/Leaseback and Redevelopment Contract (the “Assignment”).

K. In connection with the Assignment, Arterra and the Company requested that the Authority consent to the assignment of redevelopment rights under the Amended and Restated Redevelopment Contract from Arterra to the Company as set forth in the Assignment. All references to the Amended and Restated Redevelopment Contract shall include the Amended and Restated Redevelopment Contract as assigned and amended by the Assignment.

F. In order to pay the Authority for services rendered by the Authority and to pay the costs and expenses of the Authority incurred in the course of providing services related to the Project to or for the benefit of the Company, the Authority requires the Company to provide assurance that the Authority will be paid by providing the initial deposit required by this Agreement and by the further covenants and agreements contained in this Agreement.

AGREEMENT

1. **Services to be Performed by the Authority.** The Authority shall provide services, including, but not limited to, legal services, that it determines are necessary to evaluate the Assignment of redevelopment rights under the Amended and Restated Redevelopment Contract, to carry out the Authority’s obligations under the Amended and Restated Redevelopment Contract and this Agreement, and to monitor and enforce the Company’s obligations under the Amended and Restated Redevelopment Contract and this Agreement.

2. **Payment of Fees, Costs and Expenses.** The Authority acknowledges that an initial deposit from the Company is not required for this Agreement; provided, however, that the Company shall pay, or cause Arterra to pay, the costs and expenses incurred by the Authority, including attorney’s fees, in connection with the Assignment and any related documents or approvals necessary or desirable to complete the assignment of the Amended and Restated Redevelopment Contract as contemplated therein. The Company acknowledges that it is solely responsible for making all further payments required under this Agreement to the Authority (the “Funds”). The Company shall pay to the Authority, pursuant to this

Agreement (which includes the LCRA Funding Schedule, which may be amended from time to time by the Authority, attached to this Agreement as **Exhibit A** and incorporated into this Agreement) all fees owed to the Authority for services rendered pursuant to this Agreement and all costs and expenses of the Authority incurred in performance of its obligations under this Agreement.

3. **Initial Funding.** The Authority acknowledges receipt of funds from Arterra (the “Initial Funds”) pursuant to the Original Funding Agreement. The Initial Funds have been fully expended as contemplated in the Amended and Restated Redevelopment Contract and this Agreement. The Authority further acknowledges that as of the date of execution of this Agreement, no Funds from Arterra are currently owed to the Authority pursuant to this Agreement, except that the Authority has incurred and will incur legal fees in connection with this Assignment and such legal fees shall be paid by Assignor on or before the closing date of the planned sale of the Project property.

4. **Additional Funding.** The Authority may, after exhaustion of the Funds and any other funds (the "Additional Funds") over and above the Funds, require the payment by the Company of Additional Funds by notifying the Company that the Funds and/or Additional Funds have been, or soon will be, exhausted and that the Authority deems it prudent to require the deposit of Additional Funds to pay anticipated additional expenditures by the Authority in conjunction with the Project; and by sending a statement to the Company for the advance of such Additional Funds. The Authority shall use commercially reasonable efforts to notify the Company in advance of the Funds or Additional Funds being exhausted and provide the Company with an estimate of work still to be done by the Authority; provided, however, that the Authority’s failure to provide such notice or estimate to the Company shall neither constitute a default nor modify or limit the Company’s payment obligations under this Agreement.

5. **Statements and Payments.** The Company shall pay to the Authority the amounts set forth on such statement(s) for Additional Funds within fifteen (15) days of receipt of the statement(s). If such funds are not received within fifteen (15) days, the unpaid balance of any funds advanced by the Authority pursuant to this Agreement shall be subject to the payment by the Company of a penalty of two percent (2%) per month until paid, but in no event shall such penalty exceed eighteen percent (18%). The Authority shall be relieved of its obligations under this Agreement until all statements for Additional Funds are paid in full. The Authority may terminate this Agreement pursuant to Section 7.a.

6. **Disbursement of Funds.** The Authority shall apply the Funds and Additional Funds only for the payment of fees owed to the Authority, and the costs of the services and expenses (including, but not limited to, the Authority’s legal fees) incurred by the Authority, pursuant to this Agreement. Upon reasonable notice, the Authority shall make its records related to disbursements of the Funds and Additional Funds available for inspection by the Company during normal business hours at the office of the Authority.

The Authority shall refund any unused application fees, recording fees or Advance Cost Deposit funds to the Company at such time as the Authority, in its sole discretion, determines that any such funds are no longer needed to pay any current or anticipated fees or costs payable under this Agreement. Notwithstanding the foregoing, a refund given by the Authority shall not relieve the Company of its obligation under this Agreement to pay any Additional Funds pursuant to a statement issued by the Authority under this Agreement.

The name and address for the Company’s account payable department is:

Name: SEMREF Crossroads, LLC

Address: 5700 Griffin Road, Davie, FL 33314, Attn: Kris Yi and Stephen Braun

Phone: 954-966-6300

E-Mail: kyungyi@semtribe.com and stephenbraun@semtribe.com

7. **Termination.**

a. In the event the Company fails to perform any of its obligations under this Agreement, including, but not limited to, the timely payment of the Authority's statement(s) for Additional Funds, the Authority may terminate this Agreement, and any other agreement between the parties, at its sole discretion upon ten (10) days written notice to the Company; and if the Authority elects to terminate this Agreement, the Authority shall retain the Funds and Additional Funds, if any, necessary to reimburse the Authority's outstanding costs of services and expenses incurred pursuant to this Agreement and any money due and owing to the Authority pursuant to any other agreement between the parties, and shall thereafter pay any remaining Funds and Additional Funds, if any, to the Company.

b. The parties acknowledge that the Company may decide to abandon the Project. Upon the receipt of notice of the Company's abandonment of the Project, this Agreement shall terminate and the Authority shall retain the Funds and Additional Funds, if any, necessary to reimburse its staff time accumulated to date of termination and to pay the outstanding costs of services and expenses incurred pursuant to this Agreement and any money due and owing to the Authority pursuant to any other agreement and shall thereafter pay any remaining Funds and Additional Funds to the Company.

c. In the event the Funds and Additional Funds are insufficient to reimburse the Authority for fees owed to the Authority and its outstanding costs of services and expenses payable pursuant to this Agreement, the Company shall reimburse the Authority such unpaid balance upon receipt of a statement from the Authority sent to the Company as set forth in Section 4 above.

8. **Notice.** Any notice, approval, request or consent required by or asked to be given under this Agreement shall be deemed to be given if it is in writing and mailed by United States mail, postage prepaid, or delivered by hand, and addressed as follows:

To the Authority: Land Clearance for Redevelopment Authority
 of Kansas City, Missouri
 Attention: Executive Director
 300 Wyandotte, Suite 400
 Kansas City, Missouri 64105

With a copy to: Rouse Frets White Goss Gentile Rhodes, P.C.
 Attention: Brian Engel
 4510 Belleview Avenue, Suite 300
 Kansas City, Missouri 64111

To the Company: SEMREF Crossroads, LLC
5700 Griffin Road
Davie, FL 33314
Attn: Kris Yi and Stephen Braun
Email: kyungyi@semtribe.com and stephenbraun@semtribe.com

With a copy to:
Kapp Morrison LLP
7900 Glades Road, Suite 550
Boca Raton, FL 33434
Attn: Stuart T. Kapp, Esq. and Janice Mitchell, Esq.
Email: skapp@kappmorrison.com and
jmitchell@kappmorrison.com

Each party may specify that notice be addressed to any other person or address by giving to the other party ten (10) days prior written notice thereof.

The parties have caused this Agreement to be executed by their duly authorized representatives as of the Effective Date.

9. **Attorneys' Fees.** In the event the Authority commences any action to enforce this Agreement or to pursue or defend its rights under this Agreement, the Company shall be responsible for, and shall pay to the Authority upon demand, all costs and expenses including attorney's fees incurred by the Authority in connection with such action.

10. **Jurisdiction.** THE COMPANY IRREVOCABLY SUBMITS TO PERSONAL JURISDICTION IN MISSOURI AND OF THE UNITED STATES DISTRICT COURT FOR THE WESTERN DISTRICT OF MISSOURI OR, AT THE OPTION OF THE AUTHORITY, ANY COURT IN WHICH THE AUTHORITY DECIDES TO INITIATE LEGAL OR EQUITABLE PROCEEDINGS CONCERNING THIS AGREEMENT, PROVIDED SUCH COURT HAS SUBJECT MATTER JURISDICTION OVER THE MATTER AND CONTROVERSY FOR THE ENFORCEMENT OF THE COMPANY'S OBLIGATIONS UNDER THIS AGREEMENT, AND THE COMPANY WAIVES ANY AND ALL RIGHTS UNDER THE LAW OF ANY OTHER STATE TO OBJECT TO JURISDICTION WITHIN MISSOURI FOR THE PURPOSES OF LITIGATION TO ENFORCE ITS OBLIGATIONS UNDER THIS AGREEMENT.

11. **Material Inducement.** In recognition of the substantial tax incentives granted and approved by the Authority for the benefit of the Project, the Company acknowledges that payment of the Authority's costs and expenses as provided in this Agreement is a continuing obligation of payment and is a material inducement for the Authority to undertake its obligations under this Agreement and the Project transaction documents.

12. **Recitals and Exhibits.** The Recitals and exhibits attached to this Agreement are incorporated into and made a part of this Agreement as if fully set forth herein.

13. **Execution in Counterparts.** This Agreement may be executed in several counterparts, each of which shall be an original, but all of which together shall constitute one and the same instrument.

14. **Assignment.** The Company agrees that this Agreement and the rights, duties and obligations hereunder may not and shall not be assigned by the Company without the prior written consent of the Authority, which consent may be given by the Executive Director of the Authority in his or her discretion;

provided, however, that the Executive Director may present an assignment request to the Authority for approval as he or she may deem appropriate. Any approved assignee shall, by an instrument in writing, for itself and its successors and assigns, and expressly for the benefit of the Authority, assume all of the obligations of the Company under this Agreement and agree to be subject to all the conditions and restrictions to which the Company is subject.

15. **Amendment, Changes and Modifications.** This Agreement may not be effectively amended, changed, modified, altered or terminated without the prior concurring written consent of the parties hereto.

16. **Entire Agreement.** This Agreement constitutes the entire agreement and understanding between the parties with respect to the subject matter hereof, and supersedes and replaces any and all prior oral agreements or written agreements, arrangements, and understandings related thereto.

17. **Severability.** If any provision of this Agreement, or any covenant, stipulation, obligation, agreement, act or action, or part thereof made, assumed, entered into or taken thereunder, or any application of such provision, is for any reason held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Agreement or any other covenant, stipulation, obligation, agreement, act or action, or part thereof, made, assumed, entered into, or taken, each of which shall be construed and enforced as if such illegal or invalid portion were not contained herein. Such illegality or invalidity of any application thereof shall not affect any legal and valid application thereof, and each such provision, covenant, stipulation, obligation, agreement, act or action, or part thereof, shall be deemed to be effective, operative, made, entered into or taken in the manner and to the full extent permitted by law.

18. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of Missouri.

[Signature page follows.]

The parties have caused this Agreement to be executed by their duly authorized representatives as of the day and year first above written.

COMPANY:

SEMREF CROSSROADS, LLC, a Delaware limited liability company

By: _____
Name: _____
Title: _____

AUTHORITY:

**LAND CLEARANCE FOR REDEVELOPMENT AUTHORITY
OF KANSAS CITY, MISSOURI**

By: _____
Rob Gardner, Chairman

ATTEST:

Daniel Moye, Secretary

Exhibit A
LCRA FEE SCHEDULE

Adopted by LCRA Board of Commissioners 6/23/99
(Revised 6/22/05; 1/25/06; 3/28/07; 2/27/08; 3/05/10; 9/15/17; 6/27/18)¹

Cost Recovery for Agency Expenses (in addition to fees identified below)	Prof. Service Fees (e.g., appraisal, title, financial analysis, etc.)	100%
	Legal Service Fees	100%
	Other Due Diligence Costs	100%
	Blight Study	100%

I. <u>Urban Renewal Plan or Plan Amendment</u>		
A. <u>Base Fee</u>		\$3,500.00
1. With Staff blight study		\$1,000.00
2. Surcharge for inclusion of eminent domain		\$2,500.00
*Plus all applicable City Plan Commission application fees		At cost
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II. <u>Redevelopment Project Applications</u>		
A. <u>Multifamily (no commercial tenants)</u>		\$2,000.00
*\$300 Redevelopment Contract recording fee included		Included
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B. <u>Mixed-Use or Commercial Development</u>		\$3,500.00
* \$300 Redevelopment Contract recording fee included		Included
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III. <u>Real Property Tax Abatement/Exemption Fees</u> (Upon project completion)		
A. <u>Multifamily, Mixed-Use or Commercial Projects</u>		
Construction costs < \$300,000		\$500.00
Construction costs > \$300,000 – Total Development Cost x 0.3%		Calculate ²
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IV. <u>Special Financing and Assistance Fees</u>		
A. <u>Bond Financing</u>		
Application Fee		\$3,500.00
Annual Administrative Fee		\$1,500.00
Issuance Fee – LCRA Originated		
.5% of bond, plus Issuance expenses		Calculate
Conduit Issuance Fee		
.375% of first \$10,000,000		Calculate
.25% of next \$15,000,000		Calculate
125% of amount above \$25,000,000		Calculate
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B. <u>Land Acquisition</u>		
Offer to Purchase - 1% if ≤ \$2,500		Calculate
Acquisition Fee - 5% if ≥ \$2,500		Calculate
Eminent Domain – all professional and legal service fees and court fees/costs		At cost
<hr/>		
C. <u>Sale/Leaseback and/or Tax Exemptions</u>		
Personal Property Tax Exemption - .30% of original asset cost		Calculate ²
Construction Material Sales Tax Exemption - .30% of construction material cost		Calculate ²

1. Which may be amended from time to time by the Authority
2. Abatement/Exemption fees capped at \$150,000 per line item and \$250,000 in aggregate.

