

EXHIBIT 3G
LCRA 10/25/22

REDEVELOPMENT CONTRACT

Between

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

And

PG/PGN, LP

DATED AS OF NOVEMBER _____, 2022

REDEVELOPMENT CONTRACT

This REDEVELOPMENT CONTRACT (“Contract”) is entered into effective as of the _____ day of November, 2022 (the “Effective Date”), by **LAND CLEARANCE FOR REDEVELOPMENT AUTHORITY OF KANSAS CITY, MISSOURI** (“Authority”), a public body corporate and politic organized under the laws of Missouri and the ordinances of the City of Kansas City, Missouri, and **PG/PGN, LP**, a Missouri limited partnership (“Redeveloper”).

RECITALS

A. The Authority is a public body corporate and politic created by the LCRA Law and is transacting business and exercising the powers granted by the LCRA Law by virtue of Committee Substitute for Ordinance No. 16120, duly passed by the City Council on November 21, 1952.

B. The Redeveloper is a Missouri limited partnership with offices at 3619 E. 35th Street, Kansas City, Missouri 64128.

C. The Authority, on November 25, 1968, initially found the Urban Renewal Area is a blighted area and in need of redevelopment and is appropriate for an urban renewal project and approved the Urban Renewal Plan.

D. The City Council initially approved the Oak Park Urban Renewal Plan by Resolution No. 36285, dated January 1, 1969, with respect to the eligibility of the Oak Park Urban Renewal Area (as then described) for urban renewal treatment, by Ordinance No. 36827, passed January 17, 1969, approving the general urban renewal plan for the Oak Park Urban Renewal Area (as then described); and by Ordinance No. 39874, passed July 16, 1971, approving a definitive plan for the Oak Park Urban Renewal Area by Ordinance No. 39874 passed on July 16, 1971, as the Oak Park Urban Renewal Area and the Oak Park Urban Renewal Plan have been subsequently amended and modified, the purpose of which is to eliminate and prevent the spread, development and recurrence of the blighted and insanitary conditions within the Oak Park Urban Renewal Area.

E. As part of the Oak Park Urban Renewal Plan, the Authority approved the 33rd & Montgall Urban Renewal Plan on March 25, 1987, as modified by Resolution No. 88-80 dated October 26, 1988, and as modified by Resolution No. 6-03-06 dated June 28, 2006 (collectively, the “Urban Renewal Plan”), and determined that the portion of the City located within the 33rd & Montgall Urban Renewal Area (the “Urban Renewal Area”) described in the Urban Renewal Plan is blighted and insanitary.

F. The City Council initially approved the Urban Renewal Plan by Ordinance No. 61221 dated September 3, 1987, as modified by Ordinance No. 060807 dated October 26, 2006, the purpose of which is to eliminate and prevent the spread, development and recurrence of the blighted and insanitary conditions within the Urban Renewal Area.

G. Pursuant to Resolution No. 10-2-21 dated October 27, 2021, the Authority issued a Request for Proposals for the acquisition and redevelopment of the Palestine Gardens North Apartments located at 3220 Montgall Avenue and the Palestine Gardens Apartments located at 2627 E. 33rd Street within the Urban Renewal Area, as such property is legally described on the attached **Exhibit A** (the “Property”), for

the preservation and rehabilitation of 118 units reserved for very low-income residents aged 62 and over and other related improvements (the “Project”).

H. PG/PGN Owner, LLC, a Missouri limited liability company, timely submitted a redevelopment project application to the Authority to implement the Project.

I. The Authority selected PG/PGN Owner, LLC (or a controlled affiliate) (the “Redeveloper”) of the project pursuant to Resolution No. 11-3-21 on November 30, 2021. PG/PGN Owner, LLC, has designated PG/PGN, LP, a Missouri limited partnership as the “Redeveloper” as part of the ownership structure necessitated by the low income housing tax credits for the Project.

K. On or about October 27, 2021, the Authority and PG/PGN Owner, LLC, an affiliate of the Redeveloper, entered into the Funding Agreement pursuant to which the Redeveloper agreed to pay to the Authority the funds necessary to enable the Authority to undertake the Project, as contemplated by this Contract.

L. On December 28, 2021, the Authority, by its Resolution No. 12-3-21, declared the intent of the Authority to finance the costs of acquiring, rehabilitation and constructing the Project out of the proceeds of the Bonds in a principal amount not to exceed \$11,000,000 to be issued pursuant to the LCRA Law. The Authority will loan the proceeds of the Bonds to the Redeveloper as provided in the Bond Documents.

M. On February 22, 2022, the Authority held a public hearing required by the Tax Equity and Fiscal Responsibility Act (TEFRA) to receive comments from interested parties in connection with the proposed issuance of tax-exempt qualified private activity bonds pursuant to the LCRA Law.

N. On September 9, 2022, the Authority submitted an Application for Private Activity Bond Allocation to the Missouri Department of Economic Development (“DED”) and DED approved the application by letter dated September 23, 2022, to the Authority.

O. On October 25, 2022, the Authority, by its Resolution No. 10-__-22, approved the issuance of the Bonds and authorized the execution and delivery of this Contract.

AGREEMENT

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements contained in this Contract and other good and valuable mutual consideration, the receipt and sufficiency of which are acknowledged, the parties agree as follows:

ARTICLE I DEFINITIONS AND RULES OF CONSTRUCTION

Section 1.01 Definitions. The following terms shall have the following meanings as used in this Contract:

“**Affirmative Action Policy**” means the policy or policies of the Authority pertaining to goals for (a) minority business enterprise and women’s business enterprise (“MBE/WBE”) participation under professional

services and construction contracts in connection with the Project, and (b) construction workforce employment on a company-wide basis of minorities and women under construction contracts between the Redeveloper and construction contractors in connection with the Project, as such policy or policies may be amended from time to time.

"Applicable Laws" means all then applicable statutes, laws, rules, regulations, ordinances, decrees, writs, judgments, orders and administrative and judicial opinions enacted, promulgated and/or issued by any federal, state, county, municipal or local governmental, quasi-governmental, administrative or judicial authority, body, agency, bureau, department, or tribunal.

"Authority" means the Land Clearance for Redevelopment Authority of Kansas City, Missouri, a public body corporate and politic created pursuant to the LCRA Law, and its successors and assigns and any surviving, resulting, or transferee entity.

"Board" means the Board of Commissioners of the Authority, which is the governing body of the Authority.

"Bond Purchase Agreement" means the Bond Purchase Agreement among the Authority, the Trustee, and the Sole Bondowner.

"Bonds" means the tax-exempt Multifamily Housing Revenue Bonds (Palestine Gardens Project), Series 2022, in one or more series to be issued by the Authority pursuant to due authority under the LCRA Law in an original principal amount not to exceed \$11,000,000 to fund all or a portion of the Project Costs. The Bonds are to be payable solely by Loan Agreement rental payments, revenues and receipts derived by the Authority from the Loan Agreement that will be sufficient to pay the principal and interest on the Bonds.

"Bond Documents" means the Indenture, the Loan Agreement, the Land Use Restriction Agreement, the Note, the Deed of Trust, the Bond Purchase Agreement, the Tax Agreement, and related documents for each series of the Bonds, as they each may be amended from time to time.

"Bond Trustee" means UMB Bank, N.A. and its successor or successors and any other corporation or association which at any time may be substituted in its place pursuant to and at the time serving as trustee under the Indenture.

"Certificate of Qualification for Tax Abatement" means a Certificate of Qualification for Tax Abatement issued by the Authority pursuant to Sections 99.700 to 99.715, RSMo. The Redeveloper is not requesting tax abatement from the Authority for the Project.

"City" means the City of Kansas City, Missouri, a constitutional charter city and political subdivision of the State, and its successors and assigns.

"City Council" means the City Council of the City, which is the governing body of the City.

"Closing" means the closing of the transactions contemplated in this Contract to facilitate construction and financing of the Project Improvements in accordance with this Contract and the Bond Documents.

“Closing Date” means the mutually agreeable date upon which the Authority issues the Bonds Redeveloper in accordance with this Contract, which date shall not be later than the date in Section 5.01.

“Construction Contract” means each contract between the Redeveloper and any Construction Contractor for the construction of the Project Improvements on behalf of the Authority.

“Construction Contractor” means Double Diamond Construction and Development, L.L.C., a Missouri limited liability company, having a usual place of business at 1000 A N. Truman Blvd, Crystal City, Missouri 63019, or any other construction contractor chosen by Redeveloper to construct all or any portion of the Project Improvements on behalf of the Authority.

“Construction Period” means the period from the Closing Date to the Completion Date, subject to Section 4.03.

“Completion Certificate” means the certificate executed and delivered by the Redeveloper as provided in Section 403 of the Indenture.

“Completion Date” means the date on which (a) the Redeveloper has completed the Project in accordance with this Contract, the Redevelopment Plan and the Urban Renewal Plan, and (b) the Redeveloper has submitted the Completion Certificate to the Bond Trustee; provided, however, that the Completion Date shall be no later than May1, 2024, subject to a Force Majeure Condition.

“Contract” means this Redevelopment Contract, entered into by the Authority and the Redeveloper, and their respective successors and permitted assigns, as may be amended.

“Controlled Affiliate” means, with respect to Redeveloper, any entity directly or indirectly controlled by or under common control with Redeveloper. For purposes of this definition, the terms "control," and "controlled" shall include the ownership, control or power to vote at least fifty one percent (51%) or more of (A) the outstanding shares of any class of voting securities, or (B) the partnership, limited liability company or beneficial interests of any entity, directly or indirectly, or acting through one or more persons or entities.

“Cure Period” means a period of thirty (30) days after written notice is given by the Authority to the Redeveloper of an Event of Default, as defined in Article V of this Contract, during which time the Redeveloper may cure any such Event of Default; provided, however that the Cure Period shall be extended for such additional time, as determined by the Authority, as may be reasonably necessary for the Redeveloper to achieve a cure if: (i) the Redeveloper has commenced curing such Event of Default during the thirty (30) day period; (ii) the Redeveloper gives written notice during the 30-day period to the Authority detailing the reason(s) for the extended Cure Period and the estimated length of the extended Cure Period; and (iii) the Redeveloper is diligently proceeding to achieve a cure during the extended Cure Period

“Deed of Trust” means that Leasehold Deed of Trust, Security Agreement, Assignment of Leases and Rents and Fixture Financing Statement pursuant to which the Redeveloper may grant a lien against the Redeveloper’s 99-year leasehold interest in the Property under the Loan Agreement to the Trustee for the benefit of the Sole Bondowner.

“**Environmental Law**” or “**Environmental Laws**” means Environmental Law as defined in the Deed of Trust.

"**Executive Order**" means Executive Order 11246 of September 24, 1965 which addresses equal employment opportunity.

"**Force Majeure Conditions**" means a condition by reason of which the construction of the Project Improvements or completion of the Project is prevented or materially impeded through no fault of the Redeveloper, due to acts of God, extreme and extraordinary weather conditions, strikes, lockouts, labor troubles, inability to procure materials, failure of power, extreme and extraordinary governmental delay, riots, or other events or circumstances beyond such party's control; provided, however that the Redeveloper has given written notice to the Authority of the existence of the condition reasonably promptly after first becoming aware of the condition and that such condition will result in a delay.

"**Funding Agreement**" means the Funding Agreement between the Authority and the Redeveloper on or about October 27, 2021, pursuant to which a Controlled Affiliate of Redeveloper agreed to pay fees of, and costs incurred by, the Authority in connection with the Project, as may be amended from time to time.

“**Hazardous Material**” or “**Hazardous Materials**” means Hazardous Materials as defined in the Deed of Trust.

“**Indenture**” means the Trust Indenture between the Authority and Trustee.

“**Land Use Restriction Agreement**” means the Land Use Restriction Agreement dated as of *[Dated Date]*, 2022, among the Authority, the Redeveloper and the Trustee, as amended, modified, supplemented and restated from time to time or any agreement entered into in substitution therefor.

"**LCRA Law**" means the Land Clearance for Redevelopment Authority Law, Sections 99.300, *et. seq.*, as amended from time to time.

“**Loan Agreement**” means the Loan Agreement to be entered into between the Authority and the Redeveloper, as may be amended from time to time, pursuant to which the Authority shall loan the proceeds of the Bonds to the Redeveloper. The term of the Loan Agreement is intended to coincide with the Construction Period and the maturity date of the Bonds.

“**Loan**” means each loan of the proceeds of the Bonds by the Authority to the Redeveloper under the Note.

“**Note**” means the Promissory Note issued by the Redeveloper to the Authority evidencing the Loan in substantially the form of Exhibit B attached to the Loan Agreement.

"**Project**" means the acquisition of a 99-year leasehold interest in the Property and completion of the Project Improvements to be developed at Palestine Gardens North Apartments located at 3220 Montgall Avenue and the Palestine Gardens Apartments located at 2627 E. 33rd Street and completed in accordance with this Contract, the Redevelopment Plan, and the Urban Renewal Plan.

"Project Costs" means all expenses of, or incidental to, the acquisition of the Property and the financing, design, construction, development, reconstruction, renovation, equipping, rehabilitation, repair, alteration, and improvement and completion of the Project, and all other fees and costs, including, without limitation, legal fees and costs, incurred by the Authority in conjunction with the Project.

"Project Improvements" means the acquisition a 99-year leasehold interest in, and redevelopment of the Palestine Gardens North Apartments located at 3220 Montgall Avenue and the Palestine Gardens Apartments located at 2627 E. 33rd Street within the Urban Renewal Area for the preservation and rehabilitation of 118 units reserved for very low-income residents aged 62 and over and other related improvements to be accomplished on the Property in accordance with this Contract, the Redevelopment Plan, and the Urban Renewal Plan.

"Property" means all of the real property legally described in the attached Exhibit A, including specifically the Project Improvements and related improvements to be constructed on the Property and any and all alterations, additions or improvements to the Property, together with the rights, easements and appurtenances appertaining thereto.

"Redeveloper" means PG/PGN, LP, a Missouri limited partnership, and its successors and permitted assigns.

"Redevelopment Plan" means the plan attached to and incorporated into this Contract as Exhibit B, pursuant to which the Redeveloper will complete the Project, as amended from time to time in accordance with Section 4.02.

"Sole Bondowner" means Legacy Bank & Trust Company, a Missouri chartered bank, or any other bank financing all or a part of the acquisition of the Property and the construction of the Project.

"State" means the State of Missouri.

"Tax Agreement" means the Tax Compliance Agreement among the Authority, the Redeveloper and the Trustee, as amended, modified, supplemented and restated from time to time.

"Transaction Document" or **"Transaction Documents"** means this Contract, the Funding Agreement, the Bond Documents, the Urban Renewal Plan, and any other document related to the Project and the transactions contemplated by this Contract.

"Urban Renewal Area" means the 33rd & Montgall Urban Renewal Area, as described in the Urban Renewal Plan.

"Urban Renewal Plan" means the 33rd & Montgall Urban Renewal Plan, as amended from time to time.

"Workable Program" means The Workable Program of Land Clearance for Redevelopment Authority of Kansas City, Missouri, and the Rules for the Implementation of The Workable Program of Land Clearance for Redevelopment Authority of Kansas City, Missouri, approved by the Board by Resolution Nos. 10-9-00 and 10-10-00 dated October 4, 2000, as amended from time-to-time.

Section 1.02 Other Defined Terms. Words and phrases that are not capitalized shall have the meaning, if any, given to such words or phrases in the LCRA Law. If not defined in the LCRA Law, such terms shall be given their plain and ordinary meaning.

Section 1.03 Headings. The headings and captions of this Contract are for convenience and reference only, and in no way define, limit or describe the scope or intent of this Contract or any provision of this Contract.

Section 1.04 Accounting Terms. Accounting terms used in this Contract and not otherwise specifically defined shall have the meaning ascribed such terms by generally accepted accounting principles as from time to time in effect.

Section 1.05 Rules of Construction. Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. Unless the context shall otherwise indicate, the words importing the singular shall include the plural and vice versa, and words importing person shall include entities, associations and corporations, including public bodies, as well as natural persons.

Section 1.06 Conflicting Provisions. In the event of any conflict between the terms of this Contract and the Redevelopment Plan, the terms of this Contract shall prevail.

ARTICLE II REPRESENTATIONS, WARRANTIES AND COVENANTS

Section 2.01 Representations, Warranties and Covenants of the Redeveloper. The Redeveloper represents, warrants and covenants that:

- (a) The Redeveloper is a Missouri limited partnership, duly created and existing under the laws of the State of Missouri.
- (b) The Redeveloper has full power and authority to enter into this Contract and to carry out its obligations under this Contract, and, by proper actions of its members has been duly authorized to execute and deliver this Contract.
- (c) This Contract will be the valid and binding obligation of Redeveloper, enforceable against the Redeveloper in accordance with its terms.
- (d) Neither the execution and delivery of this Contract, nor the fulfillment of or compliance with the terms and conditions of this Contract, nor the consummation of the transactions contemplated by this Contract, conflicts with or results in a breach of the terms, conditions or provisions of any restriction or any agreement or instrument to which the Redeveloper is now a party or by which the Redeveloper is bound.
- (e) There is no litigation or other proceedings pending or threatened against the Redeveloper or, to Redeveloper's knowledge, any other person affecting the right of the Redeveloper to execute or deliver this Contract or the ability of the Redeveloper to comply with its obligations under this Contract and the Funding Agreement. As used in this Contract "knowledge"

shall mean knowledge Redeveloper would have reasonably obtained after making due and appropriate inquiry with respect to the particular matter in question.

(f) The Project will advance the purposes of the LCRA Law.

(g) The Redeveloper will pay, or cause to be paid, the property taxes assessed against the Property.

(h) The Redeveloper shall comply with the requirements of the Workable Program, except that the Authority and the Redeveloper acknowledge that Exhibit 1 to the Workable Program does not apply to this Project.

(i) The Redeveloper (or Controlled Affiliate) has good, valid and marketable title to a 99-year leasehold interest in the Property, free and clear of all encumbrances and at Closing will obtain a release of any deed of trust and termination of any financing statement on the Property securing the Redeveloper's obligations under any loan(s) affecting the Property.

Section 2.02 Representations, Warranties and Covenants of the Authority. The Authority represents, warrants and covenants that:

(a) The Authority is a public body corporate and politic duly organized under the laws of the State and ordinances of the City and has corporate power to enter into this Contract. The Board has duly authorized the negotiation, execution and delivery of this Contract.

(b) No commissioner of the Authority or any other officer of the Authority has any conflicting interest (financial, employment or otherwise) in the Redeveloper, the Project or the transactions contemplated by this Contract.

Section 2.03 Survival of Representations, Warranties and Covenants. All representations, covenants and warranties of the Redeveloper and the Authority contained in this Contract, in any certificate or other instrument delivered by the Redeveloper or the Authority pursuant to this Contract, or otherwise made in conjunction with the Project, transactions contemplated by this Contract shall survive the execution and delivery of this Contract.

ARTICLE III RESTRICTIONS ON USE

Section 3.01 Use Restrictions.

(a) The Redeveloper covenants and agrees for itself and its successors and assigns and every successor in interest to all or any part of the Property and/or all or any part of the Project Improvements for so long as this Contract is in effect, that the Redeveloper and such successors and assigns shall:

(1) devote all uses of the Property and the Project Improvements in accordance with and subject to the Bond Documents and the provisions regarding use set forth in the Urban Renewal Plan; and

(2) not discriminate on the basis of race, creed, color, religion, sex, age, handicap, sexual orientation, or national origin in the sale, lease or rental or in the use or occupancy of all or any part of the Property and/or all or any part of the Project Improvements.

(b) It is intended and agreed that the covenants provided in this Section shall be covenants running with the land binding to the fullest extent permitted by law and equity for the benefit and in favor of, and enforceable by: the Authority, its successors and assigns, the City, any successor in interest in the Property or any part of the Property, the owner of any other real estate or of any interest in real estate that is subject to the real estate use requirements and restrictions of the Urban Renewal Plan, and in regard to the use restriction provided in subsection (a)(2) of this Section, the United States, against the Redeveloper, its successors and assigns, and every successor in interest to the Property, or any part thereof or any interest therein, and any party in possession or occupancy of the Property or any part thereof.

(c) The covenant in subsection (a)(1) of this Section shall remain in effect for the duration of this Contract, and any renewal period or periods thereof, at the end of which time it shall cease and terminate. The covenant provided in subsection (a)(2) of this Section shall remain in effect without limitation as to time.

ARTICLE IV REDEVELOPMENT PLAN AND CONSTRUCTION OF PROJECT IMPROVEMENTS

Section 4.01 Construction of Project Improvements.

(a) The Redeveloper shall close on the Loan transaction and commence or cause the commencement of construction of the Project Improvements on or shortly after the date the Authority and issues the Bonds. For the purposes of this Contract, commencement of construction shall mean excavation and the placement, assembly or installation of materials, equipment or facilities which will make up part of the structures to be constructed for the Project. The Redeveloper shall complete or cause the completion of the Project Improvements by May 1, 2024, subject to extensions granted pursuant to Section 4.03 (the "Completion Date"). The limitation of time for commencement and completion may be extended by written agreement between the parties.

(b) The Redeveloper shall enter into the necessary contracts with the Construction Contractor and other contractors or subcontractors (each a "Construction Contractor") for the construction of the Project Improvements. The Redeveloper, at its own cost and expense, shall maintain in its files and available for inspection by the Authority, upon request and at reasonable times, the documents listed in Section 3.04 of the Loan Agreement. The Redeveloper is responsible for obtaining funds in an amount sufficient to finance and construct the Project. Subject to market conditions which are not materially adverse to the Redeveloper and to the issuance of the Bonds, the Redeveloper will be prepared to fund the construction of the Project. In the event there are any cost overruns on any of the Project Costs, the Redeveloper shall fund such cost overruns. The Authority shall have no obligation to fund any cost overruns or gaps in financing.

(c) Relocation of Tenants. The Redeveloper shall comply with the requirements of the Authority's Standardized Relocation Policy, the LCRA Law, and other applicable federal, state and local regulations and policies and agrees to implement its relocation plan, a copy of which is attached hereto as Exhibit C, for relocation of tenants during construction in a manner that

minimizes tenant displacement. The Redeveloper is responsible for all payments, costs, expenses and fees for advisory services and relocation payments to displaced families, individuals, and tenants entitled to relocation assistance as a result of the Project. The Redeveloper shall indemnify and hold the Authority and its commissioners, officers, agents and representatives harmless from all loss, expense, cost and damage of every kind whatsoever which may be incurred by the Authority by reason of enforcement or attempted enforcement of relocation assistance rights by families, individuals, or tenants displaced as a result of the Project. Prior to Bond closing, the Redeveloper shall furnish to the Authority such affidavits, certifications, guarantees and information evidencing compliance with the requirements of the Authority's Standardized Relocation Policy, the LCRA Law, and other applicable federal, state and local regulations and policies, as the Authority may request in writing.

(d) Disbursement of Bonds. The Redeveloper acknowledges and affirms that the Authority's undertakings under the terms and provisions of this Contract are providing significant economic benefits to the Redeveloper and the Project Improvements. The proceeds from the Bonds shall be disbursed in accordance with the terms of the applicable Bond Documents.

(e) Negation of Warranties. THE REDEVELOPER RECOGNIZES THAT, BECAUSE THE MATERIALS AND COMPONENTS OF THE PROJECT HAVE BEEN DESIGNATED AND SELECTED BY THE REDEVELOPER, THE AUTHORITY HAS NOT MADE AN INSPECTION OF THE MATERIALS OR OF ANY FIXTURE OR OTHER ITEM CONSTITUTING A PORTION OF THE PROJECT, AND THE AUTHORITY MAKES NO WARRANTY OR REPRESENTATION, EXPRESS OR IMPLIED OR OTHERWISE, WITH RESPECT TO THE SAME OR THE LOCATION, USE, DESCRIPTION, DESIGN, MERCHANTABILITY, FITNESS FOR USE FOR ANY PARTICULAR PURPOSE, CONDITION OR DURABILITY THEREOF, OR AS TO THE QUALITY OF THE MATERIALS OR WORKMANSHIP THEREIN, IT BEING AGREED THAT ALL RISKS INCIDENT THERETO ARE TO BE BORNE BY THE REDEVELOPER. IN THE EVENT OF ANY DEFECT OR DEFICIENCY OF ANY NATURE IN THE MATERIALS OR ANY FIXTURE OR OTHER ITEM CONSTITUTING A PORTION OF THE PROJECT, WHETHER PATENT OR LATENT, THE AUTHORITY SHALL HAVE NO RESPONSIBILITY OR LIABILITY WITH RESPECT THERETO. THE PROVISIONS OF THIS SECTION ARE INTENDED TO BE A COMPLETE EXCLUSION AND NEGATION OF ANY WARRANTIES OR REPRESENTATIONS BY THE AUTHORITY, EXPRESS OR IMPLIED, WITH RESPECT TO THE MATERIALS OR ANY FIXTURE OR OTHER ITEM CONSTITUTING A PORTION OF THE PROJECT.

(f) Cost Certification. As a material inducement for the Authority to enter into this Contract, the Redeveloper shall pay the costs and fees incurred by the Authority to review and cost certify the invoices for Project Costs submitted to the Authority and the Bond Trustee pursuant to the Bond Documents. The Authority may undertake the cost certification process internally or engage a third-party reasonably satisfactory to the Redeveloper to provide cost certification services to the Authority and the Redeveloper shall pay the costs and fees incurred by the Authority whether the Authority performs such services internally or engages a third-party cost certifier, or rely on the work of an inspector ("Construction Inspector") hired by the Lender. The Authority will not hire a third-party cost certifier without prior notice to and consent of the Redeveloper, which consent shall not be unreasonably withheld. The Authority intends to rely on the work of

the Construction Inspector, provided that the Authority promptly receives copies of any documentation prepared and delivered by the Construction Inspector to the Lender and the Redeveloper and that the Authority shall not be responsible for paying for any fees or costs charged or incurred by the Construction Inspector in connection with the Project. If the Authority hires a third-party cost certifier or relies upon the Construction Inspector as provided above, the Authority may also perform such other additional cost certification work internally as the Authority may deem necessary or desirable at its own cost. If the Authority elects not to hire a third-party cost certifier or rely upon the Construction Inspector as provided above, the Authority may perform cost certification work internally as the Authority may deem necessary or desirable for a fee in an amount mutually and reasonably acceptable to the Authority and the Redeveloper.

Section 4.02 Redevelopment Plan; Modifications. The Redeveloper shall diligently pursue completion of the Project in conformance with the Redevelopment Plan, this Contract, and the Urban Renewal Plan. Should the Redeveloper deem it necessary or desirable to amend the Redevelopment Plan, the Redeveloper shall submit such proposed modifications to the Authority, including plans and specifications for Project Improvements and a timeline for completion of the Project. The Authority shall review such modification within a reasonable time and shall send written notice of the Authority's approval or rejection of the modifications to the Redeveloper. If the Authority rejects any such modification, the notice so stating shall set forth the reasons for rejection.

Section 4.03 Extensions Due to Force Majeure Conditions. The time limit for the Completion Date may be extended due to any Force Majeure Condition if the Redeveloper notifies the Authority of the existence of such condition reasonably promptly after first becoming aware of such condition. The extension of time for the Completion Date shall be for the period of any delay or delays caused or resulting from any Force Majeure Condition; provided, however, the Redeveloper must notify the Authority of the existence of such delaying event within forty five (45) days after the commencement of such Force Majeure Condition, which notice to the Authority shall include documentation or other information reasonably necessary to establish the existence of the delaying event and an estimate of the approximate period of delay to be created by that event. The Redeveloper's failure to provide such notice and documentation shall eliminate the waiver of default due to such delaying event created in this Section.

Section 4.04 Completion Certificate. On or after the Completion Date, the Redeveloper may send a written request to the Authority for a Completion Certificate. If requested by the Redeveloper, the Completion Certificate shall be a conclusive determination of the Redeveloper's satisfaction and termination of the covenants in this Contract regarding completion of the Project within the dates for commencement and completion set forth in this Contract and in accordance with the Urban Renewal Plan, the Redevelopment Plan and this Contract. The Completion Certificate shall be in recordable form. If the Authority fails or refuses to provide the Completion Certificate after receiving a written notice requesting such certificate, the Authority shall, within thirty (30) days of receiving such request, provide the Redeveloper with a written statement indicating in reasonable detail how the Redeveloper has failed to complete the Project in conformity with the Urban Renewal Plan, the Redevelopment Plan, and/or this Contract and the measures or acts necessary, in the opinion of the Authority, for the Redeveloper to take or perform in order to obtain a Completion Certificate.

Section 4.05 Maintenance. The Redeveloper and its successors and assigns shall, at all times during the term of this Contract and at the Redeveloper's own cost and expense, maintain the Property and

the Project Improvements in a good state of repair and attractive appearance and in accordance with the Applicable Laws. The Authority has no obligation to operate, maintain or repair any portion of the Project.

Section 4.06 Payment of Fees, Costs and Expenses. The Redeveloper shall advance funds and pay to the Authority all fees owed to the Authority and all expenses and costs incurred by the Authority, including, without limitation, attorneys fees, in performance of its obligations under this Contract and the Transaction Documents, all in the manner prescribed in this Contract, the Funding Agreement and the Transaction Documents.

Section 4.07 Property Tax Exemption. By virtue of the Redeveloper's ownership of title to the Property and the Project Improvements, it is anticipated that the Property and the Project Improvements will be one hundred percent (100%) exempt from real property taxes so long as such property is owned by the Redeveloper. Therefore, it is anticipated that, unless such property is no longer owned by the Redeveloper or other tax-exempt entity, no real property taxes or payments in lieu of taxes will be levied against any portion of the Property or the Project Improvements. The Redeveloper shall pay all costs and expenses, including attorney's fees, incurred by the Authority in connection with any discussions, negotiations, or proceedings with or involving the Jackson County Assessor or other governmental officials concerning the tax exemption contemplated by this Contract, and the Redeveloper shall indemnify and agrees to protect, defend and hold harmless the Authority and the Authority's commissioners, officers, directors, employees, agents, affiliates, successors and assigns, from and against all claims, demands, losses, damages, costs, expenses, liabilities, taxes, assessments, fines, penalties, charges, administrative and judicial proceedings and orders, judgments, causes of action, remedial action requirements and/or enforcement actions of any kind (including, without limitation, attorney's fees and court or similar costs) directly or indirectly arising out of or attributable to in whole or in part to the implementation or enforcement of the real property tax exemption contemplated by this Contract.

Section 4.08 Tax Abatement. The Redeveloper has not requested that the Authority issue a Certificate of Qualification for Tax Abatement for this Project for the reason that the Redeveloper anticipates that the Property will be exempt from real property taxes as contemplated in this Contract. The Authority has no obligation to issue a Certificate of Qualification of Tax Abatement for this Project.

ARTICLE V CLOSING; DEFAULT AND TERMINATION

Section 5.01 Date, Time and Place of Closing. The Closing shall take place at such date, time and place as may be mutually agreed upon by the parties, provided that such date shall coincide with the closing for the Bonds. In the event the Closing does not occur on or before December 31 2022, then the Authority shall have the right to terminate this Contract by written notice to that effect to the Redeveloper.

Section 5.02 Obligations at Closing. At the Closing each party shall execute and deliver to the other the applicable Transaction Documents and take such other actions as are required pursuant to the provisions of this Contract. Each party shall also execute and deliver at the Closing such other documents and instruments as are normal, usual and customary for like or similar transactions.

Section 5.03 Conditions to Closing by the Authority. All obligations of the Authority to participate in the Closing are expressly conditioned upon the following:

(a) The Redeveloper's representations, warranties and covenants contained in this Contract shall be true and correct at and as of the Closing Date, with the same effect as if made on the Closing Date.

(b) The Redeveloper shall have, in all material respects, observed, performed and/or complied with all terms, conditions, duties, obligations and/or covenants required by this Contract and the other Transaction Documents to be performed, observed and/or complied with on or prior to the Closing.

(c) The Sole Bondowner, the Trustee, the Redeveloper and the Authority shall be ready, willing and able to close on the Bonds and the Bond Documents have been executed by the appropriate parties.

(d) The Redeveloper shall not be in default under this Contract, the Funding Agreement or any other Transaction Document.

(e) The Redeveloper has provided documentation to the Authority evidencing the Redeveloper's financing plan and ability to finance construction of the Project in accordance with this Contract and the Bond Documents.

(f) The Redeveloper, at its cost, obtains and provides to the Authority from a company duly qualified to issue such insurance in the State of Missouri, a title commitment and an owner's policy of title insurance naming the Redeveloper as the insured.

(g) The Redeveloper, at its cost, obtains and provides to the Authority evidence of the insurance policies the Redeveloper is required to obtain and maintain under this Contract listing the Authority and the Bond Trustee as additional insureds.

(h) The Redeveloper deposits with the title company or the Bond Trustee the funds required to be paid by the Redeveloper under this Contract, the Loan Agreement, the Bonds, and the Funding Agreement necessary to close the financing as contemplated therein.

Section 5.04 Possession of Property. The Redeveloper shall own and possess the Property following Closing in accordance with the Loan Agreement.

Section 5.05 Other Transaction Expenses. Notwithstanding any provisions of Applicable Laws imposing the burden of such expense on Redeveloper or on Authority, as the case may be, Redeveloper shall be responsible for and shall pay all costs and expenses (including, without limitation, the Authority's reasonable attorneys' fees) incurred by either party in connection with the consummation of the transactions contemplated by the Transaction Documents, and the enforcement of their rights hereunder.

Section 5.06 Events of Default Defined. The following shall be "Events of Default" under this Contract and the terms "Events of Default" and "Default" shall mean, whenever they are used in this Contract, any one or more of the following events:

(a) Failure by the Redeveloper to observe and perform any material covenant, condition or agreement on its part to be observed or performed under any Transaction Document, which failure

continues uncured following the applicable Cure Period, specifically including, without limitation the Redeveloper's failure to pay principal or interest as due and payable on the Loan or the Bonds.

(b) The filing by the Redeveloper of a voluntary petition in bankruptcy, or failure by the Redeveloper to promptly lift any execution, garnishment or attachment of such consequence as would impair the ability of the Redeveloper to carry on its operation, or adjudication of the Redeveloper as a bankrupt, or assignment by the Redeveloper for the benefit of creditors, or the entry by the Redeveloper into an agreement of composition with creditors, or the approval by a court of competent jurisdiction of a petition applicable to the Redeveloper in any proceedings whether voluntary or involuntary instituted under the provisions of the federal bankruptcy laws, as amended, or under any similar acts which may hereafter be enacted.

(c) The occurrence of an Event of Default by the Redeveloper or a default under the Funding Agreement or any Transaction Document by the Redeveloper which is not cured within any applicable cure period set forth in the Funding Agreement or Transaction Document.

(d) Failure by the Redeveloper to achieve a record discharge of a mechanic's lien or similar lien as provided in Article IX of this Contract.

(e) The failure of the Redeveloper to close on the Bonds and commence construction of the Project as provided in this Contract.

(f) The failure of the Redeveloper to complete the Project prior to or on the Completion Date, unless such date shall be extended by the period of time equal to delays caused by any Force Majeure Conditions, as provided in Section 4.03.

Section 5.07 Remedies on Default.

(a) Whenever any Event of Default shall have occurred and be continuing beyond the cure period, subject to Section 5.07(c) the Authority shall have the right, at its option and without any further demand or notice, to take whatever action at law or in equity may appear necessary or desirable to enforce performance and observance of any obligation, agreement, or covenant of the Redeveloper under this Contract, including, but not limited to, the following: institute such proceedings in law or equity as may be necessary or desirable in the Authority's sole opinion to compensate the Authority for any damages resulting from all breaches by the Redeveloper, including, but not limited to, proceeding for specific performance, breach of contract and/or damages

(b) Notwithstanding anything to the contrary set forth in this Contract, the Authority shall, in no way, be limited to the terms of this Contract in enforcing, implementing and/or otherwise causing performance of the provisions of this Contract, the Redevelopment Plan and/or Urban Renewal Plan or in exercising its right and authority to condemn the Property after the Redeveloper's Default and failure to cure during the Cure Period as provided in this Contract.

(c) Upon an Event of Default, the Authority shall provide the Trustee and Sole Bondowner written notice of such default which specifies the Default and affords the Trustee and Sole Bondowner thirty (30) days to cure such Event of Default. Any such cure by either the Trustee or Sole Bondowner shall be accepted by the Authority as though the cure was provided by the Redeveloper.

Notwithstanding the foregoing, any cure by either the Trustee or the Sole Bondowner shall be at each of their sole discretion and shall not obligate either the Trustee or the Sole Bondowner to take further remedial action.

Section 5.08 No Waiver. No delay or omission of the Authority to exercise any right or remedy occurring upon an Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence in such Event of Default. Every right and remedy given by this Article or by law to the Authority may be exercised from time to time and as often as may be deemed expedient by the Authority. No waiver of any breach of any covenant or agreement contained in this Contract shall operate as a waiver of any subsequent breach of the same covenant or agreement or as a waiver of any breach of any other covenant or agreement. In case of a breach by the Redeveloper of any covenant, agreement or undertaking by the Redeveloper, the Authority may nevertheless accept from the Redeveloper any payment or payments made under this Contract without in any way waiving right of the Authority to exercise any of its rights and remedies provided for in this Contract with respect to any such default or defaults of the Redeveloper which were in existence at the time such payment or payments were accepted by the Authority.

Section 5.09 Rights and Remedies Cumulative. The rights and remedies reserved by the Authority in this Contract and those provided by law shall be construed as cumulative and continuing rights and may be exercised concurrently or alternatively. No one of them shall be exhausted by the exercise of such option on one or more occasions.

Section 5.10 Termination of Contract. This Contract shall terminate upon the termination of the Loan Agreement and the payment in full of the Bonds; provided, however, the terms set forth in Article X shall survive the termination of this Contract.

ARTICLE VI

[Reserved.]

ARTICLE VII

RISK OF LOSS AND INSURANCE

Section 7.01 Risk of Loss. So long as the Property is owned by the Redeveloper or a Controlled Affiliate, all risk of loss with respect to the Property and the Project Improvements shall be borne by the Redeveloper.

Section 7.02 Insurance. For so long as the Loan Agreement is in effect, the Redeveloper shall, at its expense, obtain and maintain or cause to be maintained the insurance policies and coverage as specified in the Loan Agreement and, to the extent that the Lender requires that the Redeveloper obtain and maintain additional insurance policies or coverage amounts, then the Redeveloper shall also obtain and maintain or cause to be maintained such additional policies or coverage at its expense. The Redeveloper shall, at its expense, maintain or cause to be maintained a policy of all risk casualty insurance insuring the Property and the Project Improvements and, to the extent that the Lender requires that the Redeveloper obtain and maintain additional insurance policies or coverage amounts, then the Redeveloper shall also obtain and maintain or cause to be maintained such additional policies or coverage at its expense. Duplicate copies or certificates of such policy bearing notations evidencing payment of premiums or other evidence of such payment shall be furnished to the Authority. Such policy shall include a waiver of subrogation consistent with the release described in Section

7.04 below. In addition, the Redeveloper shall cause the Authority and the Bond Trustee to be named as additional insureds on all policies the Redeveloper is required to procure and maintain under this Contract, the Loan Agreement, and the Bond Documents.

Section 7.03 Blanket Insurance Policies. The Redeveloper may satisfy any of the insurance requirements set forth in this Article by using blanket policies of insurance, provided each and all of the requirements and specifications of this Article respecting insurance are complied with.

Section 7.04 Release. Anything in this Contract to the contrary notwithstanding, it is agreed that each party hereby releases the other from any claim, demand, or cause of action arising out of any loss or damage to the Property caused by a peril insurable pursuant to an all risk casualty insurance policy in standard form available in the State.

ARTICLE VIII COMPLIANCE WITH APPLICABLE LAWS

The Redeveloper shall, at its sole cost and expense, comply with all Applicable Laws. The Redeveloper shall also comply with the requirements, rules and regulations of all insurers under the policies required to be carried under this Contract. The Redeveloper shall pay all costs, expenses, claims, fines, penalties and damages incurred by Authority and Redeveloper that may in any manner arise out of, or be imposed as a result of, the failure of the Redeveloper to comply with the provisions of this Article. Notwithstanding any provision contained in this Article, however, the Redeveloper shall have the right, at its sole cost and expense, to contest or review, by legal or other appropriate procedures, the validity or legality of any such Applicable Laws, or any such requirement, rule or regulation of an insurer, and during such contest or review the Redeveloper may refrain from complying therewith to the extent such noncompliance is expressly permitted by law and provided that such noncompliance does not result in adverse action being taken against the Project, the Property, the Authority or the City.

ARTICLE IX LIENS

Section 9.01 Discharge of Lien. The Redeveloper shall not do or suffer anything to be done by any person or entity whereby all or any part of the Property or the Project Improvements may be encumbered by any mechanics' or other similar lien while the Authority or the Redeveloper is the owner of the Property or the Project Improvements. Whenever and as often as any mechanics' or other similar lien is filed against all or any part of the Property or the Project Improvements owned by the Authority or the Redeveloper, the Redeveloper, at the Redeveloper's sole cost and expense, shall notify the Authority and the Lender and discharge the same of record within thirty (30) days after the date of filing. Notice is hereby given that the Authority shall not be liable for any labor or materials furnished by the Redeveloper or anyone claiming by, through or under the Redeveloper upon credit.

Section 9.02 Lien Contest. Notwithstanding Section 9.01 above, the Redeveloper may post a bond in or pay into escrow an amount equal to one hundred and twenty-five percent (125%) of the amount being contested or provide such other assurances, including, but not limited to, title insurance, as the Authority and the Lender may approve in writing if the Redeveloper (1) within five (5) business days after the Redeveloper becomes aware of the filing any such lien, notifies the Authority and the Lender in writing of

its intention so to do, (2) diligently prosecutes such contest, (3) at all times effectively stays or prevents any official or judicial sale of the Property, or any part thereof or interest therein, under execution or otherwise, (4) pays or otherwise satisfies any final judgment enforcing such contested lien claim, and (5) thereafter immediately procures record release or satisfaction thereof and provides copies of the same to the Authority and the Lender. The Redeveloper may permit the lien so contested to remain unpaid during the period of such contest, and any appeal therefrom unless the Redeveloper is notified by the Authority that by nonpayment of any such items, the interest of the Authority or the Redeveloper in the Property will be subject to loss or forfeiture. In that event, the Redeveloper shall immediately, at its own expense, take such action as may be reasonably necessary to duly discharge or remove any such mortgage, pledge, lien, charge, encumbrance or claim if the same shall arise at any time. If the Redeveloper fails to discharge any such lien either by failing to elect one of these options under Sections 9.01 or 9.02 or by failing to procure a record release or satisfaction of any final judgment enforcing such contested lien claim, then the Authority or the Lender may, but neither shall be obligated to, take such action and pay such amounts as may be necessary in order to cause such lien to be discharged of record in order to comply with the terms of the Bond Documents. The Redeveloper shall indemnify and save and hold harmless the Authority from any loss, costs, or expenses, including attorney's fees, the Authority may incur related to any such contest. The Redeveloper shall reimburse the Authority for any expense incurred by it in connection with the imposition of any such lien or in order to discharge or remove any such mortgage, pledge, lien, charge, encumbrance or claim. For so long as the Authority is the owner of the Property, the Authority agrees to cooperate with the Redeveloper in any such contest provided the Redeveloper is not in default under this Contract or the Loan Agreement and the Redeveloper adheres to the requirements in this Section 9.02.

ARTICLE X INDEMNIFICATION

Section 10.01 Indemnity. The Redeveloper and any successor or permitted assign which assumes the Redeveloper's obligations under this Contract shall fully protect, defend, indemnify and hold harmless the Authority and the Authority's commissioners, officers, directors, employees, agents, affiliates, successors and assigns, from and against all claims, liens, demands, losses, damages, costs, expenses, deaths or injuries to persons, damages to property, liabilities, taxes, payments in lieu of taxes, assessments, fines, penalties, charges, administrative or judicial proceedings, orders, judgments, causes of action, remedial action requirements, and/or enforcement actions of any kind (including, without limitation, attorney's fees and court or similar costs) directly or indirectly arising out of or attributable to in whole or in part:

- (a) the material inaccuracy of any representation or the material breach of any representation, covenant or warranty of the Redeveloper contained in this Contract;
- (b) the Redeveloper's acquisition, development, construction, reconstruction, ownership, occupancy, possession, lease, or use of the Property and the Project Improvements, unless directly caused by the gross negligence or willful misconduct of the Authority;
- (c) the failure on the part of the Redeveloper to perform, observe and/or comply with any covenant, obligation or duty to be performed, observed and/or complied with by the Redeveloper pursuant to the terms of this Contract or any other Transaction Document, specifically including, without limitation, the Redeveloper's failure to make any payment of principal or interest due and payable under the Loan or the Bonds;

(d) any condition of, on or in the Property or the Project Improvements or any part thereof caused by any act or omission of the Redeveloper or the Redeveloper's agents, contractors, subcontractors, servants, employees, members, officers, directors, licensees or invitees or any other person or entity for whose acts or omissions the Redeveloper is otherwise responsible pursuant to Applicable Law;

(e) the performance or non-performance by Redeveloper of any Transaction Document, contract, agreement, obligation or undertaking entered into by the Redeveloper (whether as the agent of the Authority or otherwise) in connection with all or any part of the Project; and/or

(f) any act or omission of the Redeveloper or any of the Redeveloper's agents, contractors, subcontractors, servants, employees, members, officers, directors, licensees, or invitees, or any other person or entity for whose acts or omissions the Redeveloper is otherwise responsible pursuant to Applicable Law, including, without limitation, failure to pay prevailing wages or to provide payment and performance bonds to the extent, if any, required under Applicable Law.

Section 10.02 Environmental.

(a) The Redeveloper covenants that it shall not place or cause to be placed, nor permit any other person to place or cause to be placed, any Hazardous Materials on or about the Property or the Project Improvements above any *de minimis* non-reportable levels reasonably necessary to the Redeveloper's use of the Property or the Project Improvements.

(b) The Redeveloper indemnifies and agrees to protect, defend and hold harmless, the Authority and the Authority's officers, directors, commissioners, employees, agents, affiliates, successors and assigns (except to the extent intentionally and directly caused by any such indemnified party), from and against any and all claims, liens, demands, losses, damages, costs, expenses, liabilities, assessments, fines, penalties, charges, administrative or judicial proceedings, orders, judgments, causes of action, defects in title, remedial action requirements, and/or enforcement actions of any kind (including, without limitation, attorneys' fees and costs) directly or indirectly arising out of or attributable to, in whole or in part, (i) the breach of the covenants of the Redeveloper contained in this Section 10.02, or (ii) the use, handling, generation, manufacture, production, storage, release, threatened release, discharge, treatment, removal, transport, decontamination, cleanup, disposal, and/or presence of Hazardous Materials on, under, from or about the Property or the Project Improvements, or (iii) any other activity carried on or undertaken on or off the Property, whether prior to or during the ownership of the Property by the Authority, and whether by the Redeveloper or any other predecessor in title or any employees, agents, contractors, or subcontractors of the Redeveloper or any other predecessor in title, or any third persons at any time occupying or present on the Property, in connection with the use, handling, generation, manufacture, production, storage, release, threatened release, discharge, treatment, removal, transport, decontamination, cleanup, disposal, and/or presence of any Hazardous Material at any time located, transported or present on, under, from, to or about the Property or the Project Improvements, including without limitation: (A) all consequential damages; (B) the cost of any required or necessary repair, cleanup, or detoxification of the Property or the Project Improvements and the preparation and implementation of any closure, remedial or other required plans; and (C) liability for death or personal injury or property damage arising under any statutory or

common-law tort theory, including damages assessed for the maintenance of a public or private nuisance, response costs or for the carrying on of any abnormally dangerous activity.

(c) The foregoing indemnity obligation includes without limitation: (i) the costs of removal or remedial action incurred by the United States government or the State or response costs incurred by any other person, or damages from injury to, destruction of, or loss of natural resources, including the cost of assessing such injury, destruction or loss, incurred pursuant to the Comprehensive Environmental Response, Compensation and Liability Act of 1980 as amended ("CERCLA"), 42 U.S.C. §9601 *et seq.*; (ii) the clean-up costs, fines, damages or penalties incurred pursuant to any applicable provisions of State law; and (iii) the cost and expenses of abatement, correction or cleanup, fines, damages, response costs or penalties which arise from the provisions of any other Applicable Law.

(d) The foregoing indemnity shall further apply to any residual contamination on, under, from or about the Property or the Project Improvements, or affecting any natural resources, arising in connection with the use, handling, generation, manufacturing, production, storage, release, discharge, treatment, removal, transport, decontamination, cleanup, disposal, and/or presence of any such Hazardous Material on, under, from or about the Property or the Project Improvements and irrespective of whether any of such activities were or will be undertaken in accordance with any Applicable Laws. This indemnity is intended to be operable under 42 U.S.C. Section 9607(e)(1), and any successor section thereof, and shall survive the termination of this Contract in all respects.

Section 10.03 Redeveloper's Obligation on the Loan and the Bonds. The Redeveloper hereby indemnifies and agrees to hold harmless and defend the Authority from and against any and all loss, liability, damage, claim, fine, penalty, judgment, cost and expense of any nature whatsoever, including, without limitation, reasonable attorneys' fees and expenses, arising from or in connection with the Redeveloper's failure to perform its obligations under this Contract and the Transaction Documents with respect to any obligation under the Loan and the Bond Documents, including, without limitation, the repayment of the Loan and the Bonds.

Section 10.04 Failure to Discharge Liabilities. The Redeveloper hereby indemnifies and agrees to hold harmless and defend the Authority from and against any and all loss, liability, damage, claim, fine, penalty, judgment, cost and expense of any nature whatsoever, including, without limitation, reasonable attorneys' fees, arising from or in connection with: (i) any transferee liability law; (ii) any payment or performance by the Authority to any third party in order to perform or discharge fully or partially any liability or obligation of the Redeveloper which the Authority shall have the option, but shall not be required, to perform or discharge if demand is made on the Authority therefor and threatened to be charged against the Property and the Redeveloper fails to defend against or perform or discharge the same or otherwise to provide reasonable evidence to the Authority that the Redeveloper will comply with its indemnification obligations hereunder, at no cost or expense to the Authority; and/or (iii) any judgment or other circumstances pursuant to which the Authority may be held liable or accountable for, or the Property required hereunder may be charged in respect of, any liability or obligation of the Redeveloper.

Section 10.05 Enforcement Expenses; Survival of Indemnification Obligations. The indemnity obligations contained in this Contract include within them all costs and expenses (including, without limitation, reasonable attorneys' fees) incurred in enforcing any right to indemnity contained in this Contract. All

indemnification obligations of the Redeveloper under this Article X shall survive the termination of this Contract.

ARTICLE XI ASSIGNMENT

Section 11.01 Successors and Assigns. This Contract shall be binding upon and shall inure to the benefit of the Redeveloper and its successors and assigns, and any subsequent purchaser of the Property (provided, however, that this provision shall not be deemed to permit an assignment of this Contract except as specifically provided in this Article), and the term "Redeveloper" as used in this Contract shall be deemed to include such successors and assigns.

Section 11.02 General Assignments. The Redeveloper shall not assign this Contract without the prior written consent of the Authority, which consent may be granted, denied, or conditioned in the sole discretion of the Authority; provided, however, that leasing of individual units and/or commercial space within the Project within the Redeveloper's normal course of business is not to be construed as an assignment of this Contract. Notwithstanding the foregoing, the Redeveloper, upon prior written notice to the Authority, shall be permitted to assign this Contract without consent of the Authority to any Controlled Affiliate of the Redeveloper and such affiliate shall be deemed to assume and agree to keep, observe and perform all of the terms, covenants, obligations (including specifically, without limitation, indemnification obligations) and provisions of this Contract. Upon any assignment by Redeveloper as permitted under this Contract, this Contract shall be binding upon and shall inure to the benefit of the assignee or to any successor entity and the assignment instrument shall be recorded in the Office of the Recorder of Deeds for Jackson County, Missouri. If the Redeveloper desires to assign this Contract to an affiliated entity that is not a Controlled Affiliate, then the Redeveloper shall provide at least 60 days' advance notice to the Authority and request that the Authority consent to the assignment, which consent shall not be unreasonably withheld. Notwithstanding anything in Section 11.02 to the contrary with respect to an assignment to a Controlled Affiliate or to an affiliate that is not a Controlled Affiliate, the form of any such assignment instrument shall be subject to the approval of the Authority, which approval shall not be unreasonably withheld.

The Authority shall have the right to assign or otherwise transfer this Contract to the City, or to any successor entity created by the City to perform the same functions as the Authority and upon such assignment or other transfer, this Contract shall be binding upon and shall inure to the benefit of the City or to any such successor entity.

ARTICLE XII EQUAL EMPLOYMENT OPPORTUNITY

Section 12.01 Equal Employment Opportunity During Performance of this Contract. With respect to this Project, during the performance of this Contract, the Redeveloper agrees, for itself and its successors and assigns, as follows:

- (a) The Redeveloper will not discriminate against any employee or applicant for employment because of race, color, religion, sexual orientation, family status, handicap, sex, or national origin. The Redeveloper will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sexual orientation, family status, handicap, sex, or national origin. Such action shall

include, but not be limited to the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Redeveloper agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Authority setting forth the provisions of this nondiscrimination clause.

(b) The Redeveloper will, in all solicitations or advertisements for employees placed by or on behalf of the Redeveloper, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sexual orientation, family status, handicap, sex or national origin.

(c) The Redeveloper will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice advising the labor union or workers' representative of the Redeveloper's commitments under Section 202 of Executive Order 11246, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

(d) The Redeveloper will comply with all provisions of the Executive Order, and of the rules, regulations and relevant orders of the Secretary of Labor.

(e) The Redeveloper will furnish all information and reports required by the Executive Order, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to its books, records and accounts by the Authority and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

(f) In the event of the Redeveloper's non-compliance with the non-discrimination clauses of this Contract or with any of such rules, regulations, or orders, this Contract may be canceled, terminated or suspended in whole or in part and the Redeveloper may be declared ineligible for further government contracts and/or federally assisted construction contracts in accordance with the procedures authorized in the Executive Order, and such other sanctions may be imposed and remedies invoke as provided in the Executive Order, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

Section 12.02 Inclusion of Equal Employment Opportunity Provisions in Contracts. The Redeveloper agrees, for itself and its successors and assigns, that it will include the provisions listed in Section 12.01 in every contract or purchase order unless exempted by the rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246, so that such provision will be binding upon each contractor or vendor that does business with the Redeveloper in conjunction with the Project, as well as those contractor's subcontractors. For the purpose of including the provisions of Section 12.01 in any construction contract or purchase order, the terms "Authority", "Redeveloper" and "Contract" may be changed to appropriately reflect the name or designation of the parties to such contract or purchase order.

Section 12.03 Modification of Requirements. Upon the issuance of additional or conflicting rules, regulations, or orders of the Secretary of Labor pursuant to section 204 of the Executive Order, the requirements of this Article shall automatically be amended to conform and comply with such changes.

Section 12.04 Determination of Compliance. For the sole purpose of determining the Redeveloper's compliance with the provisions of this Article, the Authority and its duly appointed agents shall be permitted, at reasonable times, and after three (3) days prior notice to the Redeveloper, to examine the books and records of the Redeveloper.

ARTICLE XIII AMERICANS WITH DISABILITIES ACT

With respect to the Project, the Redeveloper shall comply with the provisions of the Americans with Disabilities Act ("ADA"), 42 U.S.C. A Section 1201, et seq., as amended from time to time, and regulations promulgated under the ADA, including, without limitation, 28 C.F.R. Part 35 and 29 C.F.R. Part 1630.

ARTICLE XIV AFFIRMATIVE ACTION: MINORITY BUSINESS ENTERPRISES/WOMEN'S BUSINESS ENTERPRISES AND CONSTRUCTION WORKFORCE EMPLOYMENT

The Redeveloper shall comply with the provisions of the Affirmative Action Policy of the Authority, as amended from time to time, which policy requires that the Redeveloper make a good faith effort to meet the goals established in accordance with the City Code of General Ordinances Chapter 3, Article IV, Divisions 1-3, Sections 3-401 through 3-600, and any related rules and regulations, as may be amended, of the City promulgated pursuant to Ordinance No. 180535 As Further Further Amended, adopted by the City Council on October 25, 2018, and Committee Substitute for Ordinance 130275 adopted by the City Council on April 11, 2013, and effective May 1, 2013, for (a) MBE/WBE participation under professional services and construction contracts in connection with the Project, and (b) construction workforce employment on a company-wide basis of minorities and women under construction contracts between the Redeveloper and construction contractors in connection with the Project. As a part of this Contract, Redeveloper shall provide all attachments as required by the Authority's Affirmative Action Information Packet containing information and forms for MBE/WBE participation and construction workforce employment ("Affirmative Action Information Packet"). Redeveloper acknowledges that Redeveloper has received a copy of the Affirmative Action Policy and the Affirmative Action Information Packet pertaining to the requirements for MBE/WBE participation and construction workforce employment. Redeveloper further acknowledges that Redeveloper understands the Affirmative Action Policy's requirements and that the Authority, in the Authority's sole discretion, may pursue any remedy or remedies available under the Affirmative Action Policy and/or this Contract in the event that the Redeveloper is unable to demonstrate a good faith effort to meet the goals set forth in the Affirmative Action Policy as may be determined by the Authority. A remedy or remedies may also be enforced following a determination by the City's Human Relations Department, the Fairness in Construction Board, or the Fairness in Professional Services and Goods Board that the Redeveloper failed to demonstrate a good faith effort to meet the approved goals. In the event that the Authority incurs any costs or expenses, including attorney's fees, in connection with any action or claim filed by the Redeveloper or a contractor or consultant hired by the Redeveloper for the Project appealing or challenging any determination concerning whether good faith efforts were exerted under the Affirmative Action Policy or imposition of liquidated damages for failure to comply with the Affirmative Action Policy, the Redeveloper shall indemnify and hold the Authority harmless from any such costs or expenses incurred by the Authority without qualification, restriction or limitation. The indemnification obligation of the Redeveloper under this Article XIV applies whether or not the Authority is a named party in any such action or claim and shall

survive the termination of this Contract. Notwithstanding anything to the contrary in this Article XIV, the Redeveloper covenants not to sue or bring any claim against the Authority related to the Affirmative Action Policy, it being understood that the Affirmative Action Policy incorporates the City ordinances referenced in this Article XIV, as such ordinances may be amended from time to time. The Redeveloper shall comply with the City Code of General Ordinances Chapter 3, Article IV, Divisions 1-3, Sections 3-401 through 3-600, as may be amended, and any related rules and regulations promulgated by the City, whether or not the Authority has formally amended its Affirmative Action policy to incorporate any such amended ordinances, rules or regulations.

In compliance with the Ordinance No. 180535, As Further Further Amended, adopted by the City Council on October 25, 2018, the construction and professional services goals for the Project as established by the approved contractor utilization plan (CUP) are incorporated into and made a part of this Contract as if fully set forth herein, even if the CUP is approved after the Effective Date of this Contract.

Notwithstanding anything in this Article XIV to the contrary, the parties anticipate that the Project and the Redeveloper will be subject to the following MBE/WBE participation standards: (i) Hard Costs (construction services) 10% for MBEs and 5% for WBEs; and (ii) Soft Costs (professional services) 10% for MBEs and 5% for WBEs as imposed by the Missouri Housing Development Corporation (“MHDC”) in order for the Project to receive low income housing tax credits. The parties further anticipate that the City’s Civil Rights and Equal Opportunity Department (“CREO”) will assign MBE/WBE participation goals for the Project that are the same as the MHDC standards outlined above and that CREO will accept MBE and WBE firms accepted by MHDC even if a particular MBE or WBE firm is not certified by the City. The Redeveloper shall comply with the MHDC policies and requirements for MBE/WBE participation as set out in the MHDC “MBE/WBE Initiative” available on the MHDC website, a copy of which the Redeveloper acknowledges receiving and reviewing prior to its execution of this Contract, specifically including, without limitation, all required monthly, quarterly and final certification of MBE/WBE participation reporting. The Redeveloper shall also file customary participation reports with CREO on the City’s electronic reporting system; provided, however, the parties acknowledge that for those MBE or WBE firms that are not certified by the City but participate in the Project CREO will account for such firms’ participation credits outside of CREO’s electronic reporting system. Except as provided in this paragraph, the Authority’s Affirmative Action Policy shall apply, including, without limitation, a determination(s) of the Redeveloper’s good faith efforts if the Redeveloper fails to achieve the stated goals and imposition of liquidated damages, if any, payable by the Redeveloper if the Redeveloper fails to achieve the stated goals and is unable to demonstrate good faith efforts to achieve the stated goals.

ARTICLE XV MISCELLANEOUS PROVISIONS

Section 15.01 Amendments. This Contract may not be amended, modified, terminated, or waived orally, but only by a writing signed by the parties hereto.

Section 15.02 No Oral Agreements. This Contract, together with all exhibits referred to in this Contract, the Bond Documents, and the Funding Agreement contain all the oral and written agreements, representations and arrangements between the parties, and any rights which the parties may have under any previous contracts or oral arrangements are hereby canceled and terminated and no representations or warranties are made or implied, other than those set forth in this Contract.

Section 15.03 Binding Effect. This Contract shall inure to the benefit of and shall be binding upon the Authority and its successors and assigns and the Redeveloper and its permitted successors and assigns.

Section 15.04 Severability. The provisions of this Contract are severable. In the event that any provision of this Contract is held to be invalid, illegal, or unenforceable to any extent, then the remaining provisions of this Contract, and the portion of the offending provision (or any application of such provision) which is not invalid, illegal, or unenforceable shall remain in full force and effect.

Section 15.05 Conflict of Interest. No commissioner, officer or employee of the Authority shall have any personal interest, direct or indirect, in the Project, the Property or this Contract, nor shall any such commissioner, officer, or employee participate in any decision relating to the Project, the Project, the Property, or this Contract which affects his personal interest or the interest of any corporation, partnership, or association in which he is directly or indirectly interested.

Section 15.06 Execution of Counterparts. This Contract may be executed in two (2) or more counterparts, each of which shall be deemed to be an original and all of which together shall constitute but one and the same instrument.

Section 15.07 Governing Law. This Contract shall be governed by and construed in accordance with the laws of the State without regard to conflict of laws.

Section 15.08 Notices. Any notice, approval, request, or consent required by or permitted under this Contract shall be in writing and mailed by United States registered or certified mail, postage prepaid, return receipt requested, or delivered by hand, and addressed as follows:

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

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

To Redeveloper: PG/PNG, LP
Attention: Brian Collins
c/o Dromara Development, LLC
3619 E. 35th Street
Kansas City, Missouri 64128

With a copy to: ROSENBLUM GOLDENHERSH
7733 Forsyth Blvd., 4th Floor
St. Louis, MO 63105
Contact: Tom Duda

To Trustee: UMB Bank, N.A.
1928 Grand, 12th Floor
Kansas City, Missouri 64106
Attention: Corporate Trust Department

To Sole Bondowner: Legacy Bank & Trust Company
3250 E. Sunshine St.
Springfield, MO 65804
Contact: Kylee Brown

With a copy to: Polsinelli PC
Attention: S. Shawn Whitney
201 E. Las Olas Blvd., Ste. 2250B
Fort Lauderdale, FL 33301

Each party shall have the right to specify that notice be addressed to any other address by giving to the other party ten (10) days prior written notice thereof.

All notices given by mail shall be effective upon the earlier of the date of receipt or the second (2nd) business day after deposit in the United States mail in the manner prescribed in this Section. Rejection or other refusal to accept or the inability to deliver because of changed address for which no notice was given, shall be deemed to be receipt of the notice as of the date of such rejection, refusal or inability to deliver.

Section 15.09 Recording. This Contract or a memorandum of this Contract may be recorded by the Authority, from time to time, in the office of the Director of Records of Jackson County, Missouri, at Kansas City. The Redeveloper shall pay the costs of recording the Contract or memoranda upon demand by the Authority.

Section 15.10 Further Assurances. The Redeveloper will do, execute, acknowledge and deliver such further acts, instruments, financing statements and assurances as the Authority may reasonably require for accomplishing the purposes of this Contract.

Section 15.11 Access to Project and Inspection. The Authority and its duly appointed agents shall have the right, with at least 48 hours advance notice, at reasonable times, and when accompanied by Redeveloper or its agent, to enter upon the Property and Project Improvements and to examine and inspect the Property. The Redeveloper covenants to execute, acknowledge and deliver all such further documents and do all such other acts and things as may be reasonably necessary to grant to the Authority such right of entry. The Authority and its duly appointed agents shall also have the right, at reasonable times and upon three (3) days prior written notice, to examine the books and records of the Redeveloper which relate to the Project and/or to the obligations of the Redeveloper under this Contract.

Section 15.12 Annual Employment Reports. Not Applicable.

Section 15.13 Term. Except as otherwise provided herein, this Contract shall terminate when the Bonds are paid in full. If the Bonds are not paid in full before the expiration of the Urban Renewal Plan, the parties shall work cooperatively with each other and the City, if the Redeveloper is not then in default under

this Contract, to achieve an extension of the Urban Renewal Plan for a period sufficient to coincide with the full payment of the Bonds in accordance with the LCRA Law.

Section 15.14 Nature of Obligations of Authority. Notwithstanding any other provision herein to the contrary, the obligations, liabilities and any amounts due and owing by the Authority pursuant to the provisions hereof shall be nonrecourse as to the Authority. No provision, representation, covenant, or agreement contained in this Contract or any Bond Document or Loan Document (including, without limitation, any indemnity obligation), or any obligation herein or therein imposed upon the Authority, or the breach thereof, shall constitute or give rise to or impose upon the Authority a pecuniary liability and no provision herein or therein shall be construed to impose a charge against the general credit of the Authority or any personal or pecuniary liability upon any commissioner, officer, agent, or employee of the Authority. The Authority has no taxing power. The covenants and agreements of the Authority shall not be deemed to constitute a debt, liability, or a general obligation of the Authority, the State of Missouri or of any political subdivision thereof within the meaning of any State of Missouri constitutional provision or statutory limitation and shall not constitute a pledge of the full faith and credit of the State of Missouri or any political subdivision thereof or of the Authority. The Bonds shall not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction and is not payable in any manner by taxation.

All covenants, obligations and agreements of the Authority contained in this Contract shall be effective to the extent authorized and permitted by Applicable Laws. No such covenant, obligation, or agreement shall be deemed to be a covenant, obligation, or agreement of any present or future commissioner, officer, agent, or employee of the Authority in other than his or her official capacity, and no official executing this Contract shall be liable personally for this Contract or be subject to any personal liability or accountability by reason of the execution and delivery of this Contract or by reason of the covenants, obligations or agreements of the Authority contained in this Contract.

Section 15.15 Recitals and Exhibits. The Recitals and exhibits are incorporated into and made a part of this Contract as if fully set forth herein.

Section 15.16 Time is of the Essence. Time is of the essence with respect to the performance of obligations under this Contract.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the Redeveloper has caused this Contract to be executed in its name with its seal affixed and attested by its duly authorized officers. The Authority has caused this Contract to be executed in its name with its seal affixed and attested by its duly authorized officers. All of the above occurred as of the date first above written.

PG/PGN, LP,
a Missouri limited partnership

By: PG/PGN Owner, LLC, a Missouri limited liability company, General Partner

By: PG/PGN Managing Member, LLC, a Missouri limited liability company, its Member

By: PG/PGN Manager, LLC, a Missouri limited liability company, its Manager

By: Palestine Village Community Development Corporation, a Missouri nonprofit corporation, its Member

By: _____
Melvin Gross, President

“REDEVELOPER”

State of Missouri)
) ss.
County of Jackson)

On this ___ day of November, 2022, before me appeared Melvin Gross, to me personally known, who, being by me duly sworn/affirmed did say that he is the President of PALESTINE VILLAGE COMMUNITY DEVELOPMENT CORPORATION, a Missouri nonprofit corporation, the Member of PG/PGN MANAGER, LLC, a Missouri limited liability company, the Manager of PG/PGN MANAGING MEMBER, LLC, a Missouri limited liability company, the Member of PG/PGN OWNER, LLC, a Missouri limited liability company, the Managing General Partner of PG/PGN, LP, a Missouri limited partnership, and that said instrument was signed in behalf of said limited partnership by authority of its partners, and said Melvin Gross acknowledged said instrument to be the free act and deed of said limited partnership.

My Commission Expires

Notary Public

(Printed Name)

[Seal]

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

By: _____
Daniel Moye, Executive Director

“AUTHORITY”

STATE OF MISSOURI)
) ss.
COUNTY OF JACKSON)

On this _____ day of November, 2022, before me appeared Daniel Moye, to me personally known, who, being by me duly sworn, did say that he is the Executive Director of Land Clearance for Redevelopment Authority of Kansas City, Missouri, a public body corporate and politic, and that the seal affixed to the foregoing instrument is the seal of said entity and that said instrument was signed on behalf of said Authority by the authority of its Board of Commissioners, and he acknowledged said instrument to be the free act and deed of said Authority.

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

Notary Public

(Printed Name)

My Commission Expires:

EXHIBIT A
LEGAL DESCRIPTION OF THE PROPERTY

Tract 1:

3220 Montgall Avenue (28-930-16-26-00-0-00-000):

Lot 1, PALESTINE GARDENS NORTH, a subdivision in Kansas City, Jackson County, Missouri, according to the recorded plat thereof.

Tract 2:

2627 E. 33rd Street (28-930-17-30-00-0-00-000):

Lot 1, PALESTINE GARDENS, a subdivision in Kansas City, Jackson County, Missouri, according to the recorded plat thereof.

EXHIBIT B
REDEVELOPMENT PLAN

The acquisition of property and redevelopment of the Palestine Gardens North Apartments located at 3220 Montgall Avenue and the Palestine Gardens Apartments located at 2627 E. 33rd Street within the Urban Renewal Area for the preservation and rehabilitation of 118 units reserved for very low-income residents aged 62 and over and other related improvements to be accomplished by Redeveloper on behalf of the Authority in accordance with this Contract and the Urban Renewal Plan.

EXHIBIT C
REDEVELOPER'S RELOCATION PLAN

(i) **Project Description.** This Plan is intended to comply with the Uniform Relocation and Real Property Acquisition Policies Act of 1970, as amended (the URA) if required, MHDC's relocation policy, and any applicable state and local regulations and policies. The Redeveloper plans to acquire Palestine Gardens Apartments buildings. All tenants will be notified of the proposed project prior to relocation activity by General Information Notice sent via certified mail, if required under the URA or MHDC policy and will be sent a Notice of Non-Displacement once the property is acquired to explain the reasonable terms and conditions under which the person may lease and occupy a unit once the rehab is completed.

The complex consists of 14 studio units and 104 one-bedroom units for a total of 118 units. Currently all units are habitable and there are 17 vacant units. The goal of this project is to minimize any displacement, and as such we have located a complex with sufficient availability to rehab each of the two buildings separately in their entirety and relocate all residents within a respective building at the same time. With the current vacancy rate, there will be a few temporary external moves but no planned permanent external moves. All households will be permanently moved within the project to a newly rehabbed unit as buildings are completed. The temporary external moves are necessary in order to vacate several units to begin the rehab work. The temporary external moves are anticipated to be for no longer than one year and all costs associated with the temporary moves will be covered by the Redeveloper, including any rent differentials that may exist for the period of the temporary move. The Redeveloper will select a moving company and will engage that mover to move each household as necessary to temporary units as well as to newly rehabilitated permanent units. All utility reconnection fees and other reasonable out-of-pocket expenses will be paid for by the Redeveloper in connection with either the permanent internal or temporary external moves.

(ii) **Building Addresses.**

2627 E. 33rd Street, Kansas City, MO 64128
3220 Montgall Ave, Kansas City, MO 64128

(iii) **Breakdown of Relocation Expenses.** See next page.

(iv) **Description of Services.**

Temporary Moves Outside the Project. As the individual households are moved temporarily to another unit off-site prior to rehabilitation, each affected household will be notified with reasonable advanced written notice of the date of the temporary move and approximate duration of the temporary move. Each household will be notified of the address of the suitable unit for the temporary move and the terms and conditions under which they may lease a suitable decent, safe and sanitary rehabilitated unit in the project once the rehabilitation is completed. All utility reconnection fees, moving services, rent differentials (if applicable) and other reasonable out-of-pocket expenses will be paid for by the Redeveloper in connection with temporary external moves. It is anticipated that possibly one to two external temporary moves will be necessary to carry out this rehabilitation project successfully. Those households that will need to be moved off-site temporarily will be selected first on a volunteer basis and then by construction schedule to reach the desired number of units.

Temporary Moves within the Project. In the event a household must be moved temporarily to another unit in the project prior to rehabilitation, each affected household will be notified with reasonable advanced written notice of the date of the temporary move and approximate duration of the temporary move. Each household will be notified of the address of the suitable unit for the temporary move and the terms and conditions under which they may lease a suitable decent, safe and sanitary rehabilitated unit in the project once the rehabilitation is completed. They will also be offered moving services and reimbursement for all reasonable out-of-pocket expenses incurred with the move, including utility transfer and reconnection fees. Temporary moves within the project may be necessary to vacate the first group of buildings in the event volunteers to move externally on a temporary basis are not located in that first group of buildings to be rehabilitated. Those units voluntarily vacated will be filled by households in the first group of buildings to be rehabbed prior to any further off-site moves.

Permanent Moves within the Project. Households that will remain in the project will be required to move permanently to a newly rehabbed unit within the project. Tenants will not be displaced and will be allowed to remain in the project, however, not necessarily in the same unit. Each household to be permanently moved within the project will be issued the appropriate notices and permanently moved to a suitable, decent safe and sanitary rehabilitated unit within the project. Each household will also be given reasonable advanced written notice of the date of the planned move to an alternate rehabilitated unit and will be offered moving services and reimbursement for all reasonable out-of-pocket expenses incurred with the move, including utility transfer and reconnection fees.

Displaced Households. The developing entity will be responsible for providing benefits to any households who may become displaced as a result of the project. Displaced households will receive relocation assistance at the time they are required to move. Households that must permanently move from the project will be provided full displacement benefits as required under the URA. However, no displacement is anticipated.

Counseling and Other Advisory Services. The Redeveloper will provide assistance to all residents, both non-displaced and those that may be displaced by this project. In the event tenants become displaced as a result of this project, the appropriate assistance will be provided to residents including applicable written notices and referrals to at least three (3) decent, safe and sanitary replacement housing units. Residents will be assisted in claiming benefits and will receive referrals for social services, as needed. Again, displacement is not anticipated. All tenant letters, tenant information, relocation plans, and evidence of payment will be maintained and stored for a minimum of three (3) years upon completion of this project. If requested, all files will be turned over to the Redeveloper , upon completion of the project. Otherwise, Relocation Services Company, LLC. (a private relocation firm hired by the Redeveloper to carry out the relocation) will retain the files for a minimum of three (3) years from the date of completion of the project.

(v) Record Maintenance. All records will be maintained on site at the offices of the relocation company, either in hard copy or PDF format. All PDF copies will be backed up regularly and will be maintained for a minimum of three (3) years past the completion date of the project. Should the Redeveloper request it, the records will be surrendered to them for retention during the three (3) year period.

(vi) **Relocation Timeline.** This project has a 18-month construction schedule. We are anticipating the first moves approximately 30 days after closing and that will be approximately 60 off-site moves. We are planning to have each round of rehab completed within 5-6 months, and then will move the tenants around accordingly to free up necessary units for construction. The project is two buildings and we are planning to take down one building at a time depending on the occupancy and construction schedule.

(vii) **Contact Information.** The contact point at Relocation Services Company, L.L.C. is Lea Akert. Lea has been working with Relocation Services Company for ten years and has worked through relocation on 11 projects both with and without HOME funds during that time. She currently oversees all relocation projects for Relocation Services Company, L.L.C.

Relocation Services Company

Initial Relocation Budget
Project: Palestine Gardens

# of Units	118
# of Vacants	17
# of Occupied	101
External Moves	101

Item	Description	Qty	Rate	Months	Total
External Rent	Mkt Rent for Moves	101	200.00	8	161,600.00
External Moves	Incentive, SD, Mov Exp	202	600.00		121,200.00
Relo Fees - External	RSC Fees	101	250.00		25,250.00
Transfers	Utility Transfers	202	30.00		6,060.00
Supplies	Boxes, Misc Supplies	101	40.00		4,040.00
Displacement	Displace Students/OI	See Below			-
Contingency		2%			7,000.00
Totals					325,150.00

Budget	325,150.00
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Percentage of Fees to Total Budget	7.8%
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Displacement Costs				
Households	Rent Allowance	Moving Allow	Monthly Total	Total
None Anticipated				
-				