REVISED

City of Mission
Regular Meeting Agenda
Wednesday, February 17, 2016
7:00 p.m.
Mission City Hall

If you require any accommodations (i.e. qualified interpreter, large print, reader, hearing assistance) in order to attend this meeting, please notify the Administrative Office at 913-676-8350 no later than 24 hours prior to the beginning of the meeting.

CALL TO ORDER AND PLEDGE OF ALLEGIANCE

ROLL CALL

PUBLIC HEARING

1. SPECIAL PRESENTATIONS

- Presentation by KDOT of AAA Platinum Award to Police Department
- Presentation of GFOA Certificate of Achievement for Excellence in Financial Reporting

2. ISSUANCE OF NOTES AND BONDS

2a. Restructuring of the Falls Housing Bonds
2b. Development Agreement with the Falls (moved from Consent Agenda)

3. CONSENT AGENDA

NOTE: Information on consent agenda items has been provided to the Governing Body. These items are determined to be routine enough to be acted on in a single motion; however, this does not preclude discussion. ***If a councilmember requests, an item may be removed from the consent agenda for further consideration and separate motion.***

CONSENT AGENDA - GENERAL

3a. Minutes of the January 20, 2016 City Council Meeting

CONSENT AGENDA - Finance & Administration Committee

Finance & Administration Committee Meeting Packet 2-10-16
Finance & Administration Committee Meeting Minutes 2-10-16

3b. Johnson County DTI Support Services Contract
3c. Part-time Employee Salary Schedule

CONSENT AGENDA - Community Development Committee

Community Development Committee Meeting Packet 2-10-16
Community Development Committee Meeting Minutes 2-10-16

3d. Renewal of Contract with KLM for Mowing Services
3e. Contract with Black & McDonald for Streetlight Maintenance
3f. Pool Fiber Connection

COMMUNITY COMMITTEE REPORTS

Approved Minutes from Board and Commission meetings are available on the City of Mission website under the "Agendas & Minutes" tab.

4. PUBLIC COMMENTS

5. ACTION ITEMS

Planning Commission

Miscellaneous

6. COMMITTEE REPORTS

Finance & Administration, Arcie Rothrock

Finance & Administration Committee Meeting Packet 2-10-16
Finance & Administration Committee Meeting Minutes 2-10-16

6a. Arts KC Rotating Artwork
6b. Contract with Lexipol for Police Policy Updates and Management

Community Development, Pat Quinn

Community Development Committee Meeting Packet 2-10-16
Community Development Committee Meeting Minutes 2-10-16

7. UNFINISHED BUSINESS

8. NEW BUSINESS

9. MAYOR'S REPORT

Appointments

10. CITY ADMINISTRATOR'S REPORT

EXECUTIVE SESSION

ADJOURNMENT

City of Mission	Item Number:	2a.
ACTION ITEM SUMMARY	Date:	January 26, 2016
Administration	From:	Brian Scott

Action items require a vote to recommend the item to full City Council for further action.

RE: Request to Consider a Restructuring of the Whispering Falls Multi-Family Housing Bonds to Include a Credit Substitution and an Extension of the Maturity Date

RECOMMENDATION: Approve the Resolution authorizing and approving certain documents in connection with the delivery of an alternate credit facility for the City of Mission, Kansas Multifamily Housing Revenue Refunding Bonds (The Falls Apartments Project) Series 1999, and authorizing other actions in connection with the alternate credit facility.

DETAILS: Built in 1976, The Whispering Falls Apartments (aka, The Falls) is a 435 unit multi-family housing facility located at 6565 Foxridge. The Falls has been owned by Whispering Falls, LLC since 1995, which is controlled by the KC Venture Group, LLC (aka Nolan Real Estate Services) of Leawood, Kansas.

The City issued $9.35 million in Multifamily Housing Revenue Refunding Bonds in 1999 to assist with refinancing the purchase and rehabilitation of The Falls. The structure of this financing was such that the bond proceeds were loaned to Whispering Falls, LLC in exchange for a promissory note secured by a multi-family mortgage, assignment of rents and a security agreement. To facilitate the refinancing, credit enhancement and liquidity support for the bonds were provided by Fannie Mae (Original Credit Facility Provider). The City has had no liability for the bonds.

The financing arrangement allowed for Whispering Falls, LLC to provide an Alternate Credit Facility Provider upon satisfaction of certain conditions. Whispering Falls, LLC has decided to act on this option by utilizing an irrevocable direct pay letter of credit issued by U.S. Bank as an Alternate Credit Facility Provider replacing Fannie Mae.

In addition, Whispering Falls, LLC would like to extend the original maturity date of the bonds (2029) by an additional five years to 2034. The credit substitution and extension of the maturity date will require amendments to the agreements that documented the original financing arrangement. Attached, is a copy of a resolution that will authorize the necessary amendments to be made, along with copies of the actual amended documents.

As a part of the restructuring, the owners will make over $800,000 in improvements to the complex, as outlined in their attached letter. The property owner will be responsible for all costs associated with the restructuring; and as with the original issue, the restructuring does not create any financial liability or obligation for the City.

Whispering Falls, LLC has agreed to enter into a development agreement with the City that stipulates certain conditions for the City's approval. The development agreement is an accompanying item on the agenda.

Related Statute/City Ordinance:	K.S.A. 12-1740 to 12-1749d, inclusive, and K.S.A. 10-116a, as amended
Line Item Code/Description:	NA
Available Budget:	NA

City of Mission	Item Number:	2a.
ACTION ITEM SUMMARY	Date:	January 26, 2016
Administration	From:	Brian Scott

Action items require a vote to recommend the item to full City Council for further action.

Representatives of Whispering Falls, LLC will be present at the Finance & Administration Committee to further expound upon their request and answer any questions. Gary Anderson of Gilmore & Bell, the City's Bond Counsel, will also be present.

Related Statute/City Ordinance:	K.S.A. 12-1740 to 12-1749d, inclusive, and K.S.A. 10-116a, as amended
Line Item Code/Description:	NA
Available Budget:	NA

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING AND APPROVING CERTAIN DOCUMENTS IN CONNECTION WITH THE DELIVERY OF AN ALTERNATE CREDIT FACILITY FOR THE CITY OF MISSION, KANSAS MULTIFAMILY HOUSING REVENUE REFUNDING BONDS (THE FALLS APARTMENTS PROJECT) SERIES 1999, AND AUTHORIZING OTHER ACTIONS IN CONNECTION WITH THE ALTERNATE CREDIT FACILITY

RECITALS:

1. The City of Mission, Kansas (the "City") is authorized by K.S.A. 12-1740 to 12-1749d, inclusive, and K.S.A. 10-116a, as amended (the "Act"), to finance certain projects by the issuance of revenue bonds of the City and to refund revenue bonds previously issued.

2. Pursuant to the Act, the City has previously issued its Multifamily Housing Revenue Bonds (The Falls Apartments Project) Series 1999 (the "Bonds"), in the principal amount of $9,350,000 to refinance the acquisition and rehabilitation of a 435-unit commercial apartment project known as the Falls Apartments, located at 6565 West Foxridge Drive in the City of Mission (the "Project") by Whispering Falls, L.L.C., a Kansas limited liability company (the "Borrower").

3. The Bonds were issued on December 8, 1999 pursuant to the Trust Indenture dated as of December 1, 1999 (the "Original Indenture") between the City and UMB Bank, N.A., as trustee (the "Trustee"). The proceeds of the Bonds were loaned to the Borrower pursuant to the Financing Agreement dated as of December 1, 1999 (the "Original Financing Agreement"), among the City, the Trustee and the Borrower.

4. The Project is leased by the Borrower to the City pursuant to a Base Lease Agreement dated as of December 1, 1999, between the Borrower and the Issuer, and is subleased by the Issuer to the Borrower pursuant to the Sublease Agreement dated as of December 1, 1999, between the Borrower and the Issuer.

5. Fannie Mae provides credit enhancement and liquidity support for the Bonds pursuant to a Collateral Agreement dated as of December 8, 1999 between Fannie Mae and the Trustee. The Original Indenture and the Original Financing Agreement provide that the Borrower may cause the delivery of an Alternate Credit Facility on a Substitution Date (each as defined in the Original Indenture). The Bonds are subject to mandatory tender in whole on the Substitution Date.

6. Pursuant to the Original Indenture and the Original Financing Agreement, the Borrower has notified the city of its intent to provide an Alternate Credit Facility, consisting of an irrevocable direct-pay letter of credit to be delivered by U.S. Bank National Association ("US Bank").

7. In connection with the delivery of the Alternate Credit Facility, the Borrower has requested that the Original Indenture, the Original Financing Agreement and other documents entered into by the City in connection with the issuance of the Bonds be amended and restated or otherwise modified.

8. Pursuant to Section 901(j) of the Original Indenture, the City and the Trustee may amend the Original Indenture without the consent of or notice to the Bondowners if the changes will become effective on a date on which the Bonds are subject to mandatory tender.

9. The Governing Body of the City finds and determines that it is necessary and desirable in connection with the delivery of the Alternate Credit Facility that the City enter into certain agreements,

copies of which have been presented at this meeting and shall be filed with the records of the City, and that the City take certain other actions and approve the execution of certain other agreements, documents and certificates as provided in this Resolution.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF MISSION, KANSAS, AS FOLLOWS:

Section 1. Approval of Documents. The following documents are approved in substantially the forms presented to the Governing Body of the City at this meeting, together with such further amendments as may be reasonably requested by U.S. Bank and Standard & Poor's Rating Services in connection with the delivery of the Alternate Credit Facility and issuance of a credit rating on the Bonds, and the City is hereby authorized to enter into each of such documents (the "City Documents") with such changes therein as shall be approved by the officers of the City executing such documents, such officers' signatures thereon being conclusive evidence of their approval thereof:

(a) the Amended and Restated Trust Indenture (the "Indenture") to be dated as of the first day of the month in which the Alternate Credit Facility is effective (the "Document Date"), between the City and the Trustee, which will include an extension of the original maturity of the Bonds to a date not later than December 15, 2034;

(b) the Amended and Restated Financing Agreement to be dated as of the Document Date, among the City, the Borrower and the Trustee;

(c) the First Amendment to Land Use Restriction Agreement to be dated as of the Document Date, among the City, the Borrower and the Trustee;

(d) the Tax Compliance Agreement to be dated as of the Document Date, among the City, the Borrower and the Trustee;

(e) the First Amendment to Base Lease Agreement to be dated as of the Document Date, between the Borrower and the City;

(f) the First Amendment to Sublease Agreement to be dated as of the Document Date, between the City and the Borrower; and

(g) the Development Agreement to be dated as of the Document Date, between the City and the Borrower.

Section 2. Execution of Bonds and City Documents.

(a) The Mayor of the City is hereby authorized and directed to execute and deliver, for and on behalf of and as the act and deed of the City, the Bonds as amended and restated pursuant to the Indenture and each of the City Documents, and to execute such other documents, certificates and instruments, including documents relating to the release and termination of the mortgage loan documents securing the Bonds prior to the Substitution Date, as may be necessary or desirable to carry out and comply with the intent of this Resolution. The City Clerk of the City is hereby authorized and directed to attest to the execution of, and to affix the City's official seal to, the Bonds, the City Documents and any other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Resolution.

(b) The Bonds shall be in substantially the form as submitted to and considered by the City as set forth in the Indenture. Any changes as to the form of the Bonds must be approved by the representatives of the City executing the Bonds. The signatures of the City's representatives on the Bonds, whether manual or facsimile, shall be conclusive evidence of their approval.

Section 3. Approval of Remarketing Memorandum. In connection with the delivery of the Alternate Credit Facility, the Bonds will be remarketed by Stern Brothers & Co., as remarketing agent, pursuant to a Remarketing Memorandum. The Remarketing Memorandum, in substantially the form presented to the Governing Body of the City at this meeting, and the public distribution of the same by the Remarketing Agent are hereby approved for use in connection with the remarketing of the Bonds. The City has not participated in the preparation of the Remarketing Memorandum and has not verified the accuracy of the information therein, other than information respecting the City. Accordingly, such approval does not constitute approval by the City of such information or a representation by the City as to the completeness or accuracy of the information contained therein.

Section 4. Further Authority.

(a) The City shall, and the officers, agents and employees of the City are hereby authorized and directed to, take such further action, and execute such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Resolution and to carry out, comply with and perform the duties of the City with respect to the Bonds and the City Documents.

(b) The Mayor of the City is hereby authorized and directed to execute and deliver, and the City Clerk of the City is hereby authorized and directed to affix the corporate seal of the City and attest to, any and all papers, instruments, opinions, certificates, affidavits and other documents and to do and cause to be done any and all acts and things necessary or proper for carrying out this Resolution, the City Documents, the delivery of the Alternate Credit Facility and the issuance of a credit rating on the Bonds.

Section 5. Effective Date. This Resolution shall be in full force and effect immediately upon its adoption by the Governing Body of the City.

Approved by the Governing Body of the City of Mission, Kansas this 17th day of February, 2016.

_____
Mayor

(SEAL)

Attest:

_____
City Clerk

Gilmore & Bell Draft
February [12], 2016
A&R Indenture-2a

AMENDED AND RESTATED TRUST INDENTURE

Dated as of March 1, 2016

between

CITY OF MISSION, KANSAS

and

UMB BANK, N.A.,
as Trustee

amending and restating the

Trust Indenture dated as of December 1, 1999

Relating to

MULTIFAMILY HOUSING REVENUE REFUNDING BONDS
(THE FALLS APARTMENTS PROJECT)
SERIES 1999

of the

City of Mission, Kansas

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AMENDED AND RESTATED TRUST INDENTURE

THIS AMENDED AND RESTATED TRUST INDENTURE (this "Indenture") is made and entered into as of March 1, 2016, by and between the CITY OF MISSION, KANSAS, a municipal corporation and political subdivision organized and existing under the laws of the State of Kansas (together with any successors and assigns and any surviving, resulting or transferee entity, the "Issuer"), and UMB BANK, N.A., a banking association duly organized and existing and authorized to accept and execute trusts of the character herein set forth, under the laws of the United States of America, with a corporate trust office located in the City of Kansas City, Missouri, successor to State Street Bank and Trust Company of Missouri, N.A., as trustee (the "Trustee").

RECITALS:

1. The Issuer is authorized under the provisions of K.S.A. 12-1740 to 12-1749d, inclusive, and K.S.A. 10-116a, as amended (the "Act"), to purchase, acquire, construct, improve and equip certain facilities within its jurisdiction for industrial purposes, to enter into leases and lease-purchase agreements with any person, firm or corporation for said facilities, to issue revenue bonds for the purpose of paying the cost of any such facilities, to pledge the income and revenues to be derived from the operation of such facilities to secure the payment of the principal of and interest on such bonds and to refund its outstanding bonds by the issuance of its refunding bonds.

2. Pursuant to the Act, the Issuer refinanced a 435-unit multifamily housing facility known as The Falls Apartments located in Mission, Kansas (the "Project") by the issuance of its $9,350,000 Multifamily Housing Revenue Refunding Bonds (The Falls Apartments Project) Series 1999 (the "Bonds").

3. The Bonds were issued pursuant to the Trust Indenture dated as of December 1, 1999 (the "Original Indenture") between the Issuer and State Street Bank and Trust Company of Missouri, N.A., predecessor to the Trustee. The proceeds of the Bonds were loaned to Whispering Falls, L.L.C., a Kansas limited liability company (the "Borrower") pursuant to the terms and provisions of the Financing Agreement dated as of December 1, 1999 (the "Original Financing Agreement") among the Issuer, State Street Bank and Trust Company of Missouri, N.A., predecessor to the Trustee, and the Borrower.

4. The loan of the Bond proceeds to the Borrower (the "Loan") is evidenced by a promissory note from the Borrower to the Trustee (the "Original Mortgage Note"), and immediately prior to the effective date hereof was secured by a Multifamily Mortgage, Assignment of Rents and Security Agreement (the "Original Mortgage") and otherwise evidenced and secured by other mortgage loan documents (the "Original Mortgage Loan Documents").

5. In connection with the issuance of the Bonds, Fannie Mae (the "Original Credit Facility Provider") agreed to facilitate the refinancing of the Project by providing credit enhancement and liquidity support for the Bonds pursuant to, and subject to the limitations of, a Collateral Agreement dated December 8, 1999 (the "Collateral Agreement"), between Fannie Mae and the Trustee.

6. The Project is leased by the Borrower to the Issuer pursuant to a Base Lease Agreement dated as of December 1, 1999 (the "Lease"), between the Borrower and the Issuer, and is subleased by the Issuer to the Borrower pursuant to the Sublease Agreement, dated as December 1, 1999 (the "Sublease"), between the Borrower and the Issuer.

7. Pursuant to the Indenture and an Assignment and Intercreditor Agreement dated as of December 1, 1999, among the Issuer, the Trustee and Fannie Mae, the Issuer and the Trustee assigned their

rights in the Financing Agreement, the Loan, the Mortgage Note, the Original Mortgage and the other Original Mortgage Loan Documents, the Lease and the Sublease (except certain Reserved Rights (as hereinafter defined)) to the Trustee and the Original Credit Facility Provider, as their interests may appear, to provide security for the owners of the Bonds and the Original Credit Facility Provider.

8. Immediately prior to the effective date of this Indenture, the Bonds were secured by the Collateral Agreement provided by the Original Credit Facility Provider. The Original Indenture and the Original Financing Agreement provide that the Borrower may cause the delivery of an Alternate Credit Facility on the Substitution Date (as defined in the Original Indenture). The Bonds are subject to mandatory tender in whole on the Substitution Date.

9. Pursuant to the Original Indenture and the Original Financing Agreement, the Borrower has exercised its right to provide an Alternate Credit Facility to secure the Bonds on March 15, 2016 (the "Substitution Date").

10. To provide for credit enhancement and liquidity for the Bonds, the Borrower is causing U.S. Bank National Association (the "Credit Facility Provider") to deliver an irrevocable direct-pay letter of credit (the "Credit Facility") as an Alternate Credit Facility (within the meaning of the Original Indenture) on the Substitution Date in order to secure the timely payment of the principal of and interest on the Bonds and the purchase price of all Bonds in accordance with Article III.

11. In connection with the delivery of the Credit Facility on the Substitution Date, the liens of the Original Mortgage and the Original Mortgage Loan Documents will be released.

12. To evidence the Borrower's reimbursement obligations to the Credit Provider for draws made under the Credit Facility, the Borrower and the Credit Provider have executed and delivered the Application for Letter of Credit and Reimbursement Agreement dated as of March 1, 2016 (the "Reimbursement Agreement").

13. To secure the Borrower's reimbursement obligations to the Credit Provider under the Reimbursement Agreement, the Borrower has executed and delivered the Construction Mortgage with Absolute Assignment of Leases and Rents, Security Agreement and Fixture Filing dated as of March 1, 2016 (the "Mortgage") to the Credit Provider on the Substitution Date.

14. In connection with the delivery of the Credit Facility the Borrower has requested the amendment and restatement of the Original Indenture by this Indenture and an amendment and restatement of the Original Financing Agreement by the Amended and Restated Financing Agreement dated as of March 1, 2016 (the "Financing Agreement"), among the Issuer, the Borrower and the Trustee. The Original Mortgage Note will also be amended and restated by the Amended and Restated Note dated the Substitution Date (the "Note") executed by the Borrower in favor of the Trustee.

15. The Original Indenture is amended and restated in its entirety as set forth in this Indenture.

16. All things necessary to make the Bonds, when authenticated by the Trustee and issued as in this Indenture provided, the valid, legal and binding obligations of the Issuer, and to constitute this Indenture a valid, legal and binding pledge and assignment of the property, rights, interests and revenues herein made for the security of the payment of the principal of, redemption premium, if any, and interest on the Bonds issued hereunder, have been done and performed, and the execution and delivery of this Indenture and the execution and issuance of the Bonds, subject to the terms hereof, have in all respects been duly authorized and approved by the Issuer.

GRANTING CLAUSES

The Issuer, in consideration of the premises, the acceptance by the Trustee of the trusts hereby created, the purchase and acceptance of the Bonds by the Owners thereof, and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and in order to secure the payment of the principal of, redemption premium, if any, and interest on the Bonds according to their tenor and effect, to secure all obligations owed by the Borrower to the Credit Facility Provider under the Credit Facility Agreement, and to secure the performance and observance by the Issuer of all the covenants, agreements and conditions herein and in the Bonds contained, does hereby transfer, pledge and assign to the Trustee and its successors and assigns in trust forever, and does hereby grant a security interest unto the Trustee and its successors in trust and its assigns, in and to all and singular the property described in paragraphs (a) and (b) below (said property being herein referred to as the "Trust Estate"), to wit:

(a) all right, title and interest of the Issuer (including, but not limited to, the right to enforce any of the terms thereof) in, to and under all Revenues (defined below) derived by the Issuer under and pursuant to and subject to the provisions of the Financing Agreement, the Lease, the Sublease and the Credit Facility, but excluding the Reserved Rights (as defined in the Financing Agreement); and

(b) all other moneys and securities from time to time held by the Trustee under the terms of this Indenture (excluding arbitrage rebate, whether or not held in the Rebate Fund, and amounts held in the Principal Reserve Fund and the Purchase Fund (each as defined below)), and any and all other property (real, personal or mixed) of every kind and nature from time to time hereafter, by delivery or by writing of any kind, pledged, assigned or transferred as and for additional security hereunder by the Issuer, or by anyone in its behalf or with its written consent, to the Trustee, which is hereby authorized to receive any and all such property at any and all times and to hold and apply the same subject to the terms hereof.

TO HAVE AND TO HOLD, all and singular, the Trust Estate with all rights and privileges hereby transferred, pledged, assigned and granted or agreed or intended so to be to the Trustee and its successors and assigns in trust forever;

IN TRUST NEVERTHELESS, upon the terms and conditions herein set forth for the equal and proportionate benefit, security and protection of all present and future Owners of the Bonds Outstanding, without preference, priority or distinction as to participation in the lien, benefit and protection hereof of one Bond over or from the others, except as herein otherwise expressly provided and on a subordinate basis thereto, to secure the obligations of the Borrower to the Credit Facility Provider under the Credit Facility Agreement;

PROVIDED, NEVERTHELESS, and these presents are upon the express condition, that if the Issuer or its successors or assigns shall well and truly pay or cause to be paid the principal of and premium, if any, on such Bonds with interest, according to the provisions set forth in the Bonds, or shall provide for the payment or redemption of such Bonds by depositing or causing to be deposited with the Trustee the entire amount of funds or securities requisite for payment or redemption thereof when and as authorized by the provisions of Article XII (it being understood that any payment with respect to the principal of or interest on Bonds by the Borrower or any purchase of Bonds pursuant to Article III shall not be deemed payment or provision for payment of principal of or interest on Bonds, except Bonds purchased and cancelled by the Trustee, all such uncancelled Bonds to remain Outstanding hereunder and principal of and interest thereon payable to the Owners thereof, whether such Owners be the Credit Facility Provider or persons to whom Bonds are remarketed), and shall also pay or cause to be paid all other sums payable hereunder by the Issuer

and if all amounts due and owing to the Credit Facility Provider under the Credit Facility Agreement shall have been paid in full, then these presents and the estate and rights hereby granted shall cease, terminate and become void, and thereupon the Trustee, on payment of its lawful charges and disbursements then unpaid, on demand of the Issuer and upon the payment by the Borrower of the cost and expenses thereof, shall duly execute, acknowledge and deliver to the Issuer such instruments of satisfaction or release as may be necessary or proper to discharge this Indenture of record, and if necessary shall grant, reassign and deliver to the Issuer, with a copy to the Credit Facility Provider and the Borrower, all and singular the property, rights, privileges and interests by it hereby granted, conveyed and assigned, and all substitutes, or any part thereof, not previously disposed of or released as herein provided; otherwise this Indenture shall be and remain in full force;

THIS INDENTURE FURTHER WITNESSETH, and it is hereby expressly declared, covenanted and agreed by and between the parties hereto, that all Bonds issued and secured hereunder are to be issued, authenticated and delivered and that all the Trust Estate is to be held and applied under, upon and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses and purposes as hereinafter expressed, and the Issuer does hereby agree and covenant with the Trustee, for the benefit of the respective Owners from time to time of the Bonds and the Credit Facility Provider, as follows:

ARTICLE I

DEFINITIONS; RULES OF CONSTRUCTION

Section 101. Definitions of Words and Terms. In addition to words and terms defined in the Recitals and elsewhere in this Indenture, the following words and terms as used in this Indenture and in the Financing Agreement shall have the following meanings, unless some other meaning is plainly intended:

"Accounts" means the accounts created in Section 501.

"Act of Bankruptcy" means, as to the Borrower, any of the following:

(a) the commencement by the Borrower of a voluntary case under the federal bankruptcy laws, as now in effect or hereafter amended, or any other applicable federal or state bankruptcy, insolvency or similar laws;

(b) the filing of a petition with a court having jurisdiction over the Borrower to commence an involuntary case against any of the foregoing under the federal bankruptcy laws, as now in effect or hereafter amended, or any other applicable federal or state bankruptcy, insolvency or similar laws, and such petition is not discharged within 60 days of the filing thereof;

(c) the Borrower shall admit in writing its inability to pay its debts generally as they become due;

(d) a receiver, trustee or liquidator of the Borrower shall be appointed in any proceeding brought against any of the foregoing;

(e) assignment by the Borrower of all or substantially all of its assets for the benefit of its creditors; or

(f) the entry by the Borrower into an agreement of composition with its creditors; and, as to the Issuer, the commencement by the Issuer of a voluntary case under the federal bankruptcy

laws, as now in effect or hereafter amended, or any other applicable federal or state bankruptcy, insolvency or similar laws.

"Administrative Office" means (i) with respect to the initial Trustee and Tender Agent, for notice and administrative purposes, initially, 2 South Broadway, Suite 435, St. Louis, Missouri 63102, Attention: Corporate Trust Department, and (ii) with respect to any successor Trustee or Tender Agent, its office for notice and administrative purposes designated as such by the successor Trustee or Tender Agent.

"Alternate Credit Facility" means any alternate credit facility provided by one or more Persons (if provided by two or more Persons, their obligations may be on a joint basis or a several basis), designated and qualified as such pursuant to Section 706. The renewal or extension of the Termination Date of the existing Credit Facility does not constitute an Alternate Credit Facility if the Trustee receives written evidence from the Credit Facility Provider in a form satisfactory to the Trustee of the renewal or extension no later than the 25th day prior to the then applicable Termination Date.

"Alternate Credit Facility Date" means the effective date of any Alternate Credit Facility delivered to the Trustee pursuant to Section 706.

"Annual Mode" means an Interest Mode during which the interest rate on the Bonds is determined at twelve month intervals, except that the first period will be from the Interest Mode Adjustment Date to, but not including, the next Rate Adjustment Date.

"Authorized Borrower Representative" means the person at the time designated to act on behalf of the Borrower as evidenced by a written certificate furnished to the Issuer, the Credit Facility Provider and the Trustee containing the specimen signature of such person and signed on behalf of the Borrower by a Manager or, if the Borrower is a corporation, an authorized officer of the Borrower, or if a partnership, an authorized signatory of the general partner. Such certificate may designate an alternate or alternates, each of whom shall be entitled to perform all duties and exercise all powers of an Authorized Borrower Representative. Until otherwise designated by the Borrower, the Authorized Borrower Representative is Paul S. Fingersh.

"Authorized Credit Facility Provider Representative" means the person at the time designated to act on behalf of the Credit Facility Provider as evidenced by a written certificate furnished to the Issuer, the Borrower and the Trustee containing the specimen signature of such person and signed on behalf of the Credit Facility Provider by a Senior Vice President, First Vice President or Vice President of the Credit Facility Provider. Such certificate may designate an alternate or alternates, each of whom shall be entitled to perform all duties and exercise all powers of an Authorized Credit Facility Provider Representative.

"Authorized Denominations" means (i) in the case of Bonds in a Weekly Mode or Monthly Mode, $100,000 and any integral multiple of $5,000 in excess thereof; (ii) in the case of Bonds in a Semiannual Mode, Annual Mode or Multiyear Mode, $5,000 or any integral multiple thereof, provided that if the Credit Facility is not exempt from registration under the Securities Act of 1933, as amended, and has not been registered under the Securities Act of 1933, as amended, then the Authorized Denomination shall be $100,000 and any integral multiple of $5,000 in excess thereof; or (iii) in the case of a Bond which is a Pledged Bond, $5,000 or any integral multiple thereof.

"Authorized Issuer Representative" means the Mayor, Vice Mayor or City Clerk of the Issuer, or such other person at the time designated to act on behalf of the Issuer as evidenced by a written certificate furnished to the Borrower, the Credit Facility Provider and the Trustee containing the specimen signature of such person and signed on behalf of the Issuer by the Mayor, Vice Mayor or City Clerk. Such certificate

may designate an alternate or alternates, each of whom shall be entitled to perform all duties and exercise all powers of an Authorized Issuer Representative.

"Available Moneys" means (i) moneys that have been paid to the Trustee pursuant to payments under the Credit Facility and that have been held in the Credit Facility Account and not commingled with other funds that do not constitute Available Moneys, and proceeds from the investment thereof; (ii) Remarketing Proceeds; and (iii) moneys delivered to the Trustee and accompanied by a written opinion of nationally recognized counsel experienced in bankruptcy matters to the effect that if the Borrower, any general partner, member or guarantor of the Borrower, or the Issuer were to become a debtor in a proceeding under the Bankruptcy Code: (i) payment of such money to holders of the Bonds would not constitute an avoidable preference under Section 547 of the Bankruptcy Code, (ii) the automatic stay provisions of Section 362(a) of the Bankruptcy Code would not prevent application of such money to the payment of the Bonds, and (iii) is not subject to inclusion in a bankrupt's estate under Section 541 of the Bankruptcy Code.

"Available Moneys Account" means the account by that name in the Revenue Fund created in Section 501.

"Bankruptcy Code" means Title 11 of the United States Code entitled "Bankruptcy," as now and hereafter in effect, or any successor federal statute.

"Bond Counsel" means Gilmore & Bell, P.C. or any other attorney or firm of attorneys reasonably acceptable to the Issuer, the Trustee and the Credit Facility Provider having a national reputation for skill in connection with the authorization and issuance of municipal obligations in the State and under Sections 103 and 141-150 of the Code, which may be counsel to the Trustee or the Credit Facility Provider.

"Bond Documents" means this Indenture, the Financing Agreement, the Lease, the Sublease, the Note, the Regulatory Agreement, the Tax Agreement and the Remarketing Agreement.

"Bond Pledge Agreement" (or "Pledge Agreement" as such term is used in certain other Bond Documents) means the Bond Pledge Agreement dated as of March 1, 2016, among the Borrower, the Credit Facility Provider and UMB Bank, N.A., as agent and Trustee, and any similar agreement among the Borrower, the Credit Facility Provider and the Trustee with respect to the issuance of an Alternate Credit Facility, as amended, supplemented or restated from time to time.

"Bond Register" means the registration books of the Issuer kept by the Trustee to evidence the registration and transfer of Bonds.

"Bond Registrar" means the Trustee when acting as such.

"Bondowner" or "Owner" or "Registered Owner" means the person in whose name such Bond is registered on the Bond Register.

"Borrower" means Whispering Falls, L.L.C., a Kansas limited liability company, and its successors and assigns as provided in Section 5.2 of the Financing Agreement.

"Borrower Bonds" means (i) Bonds owned or held by the Borrower, or by the Trustee or the Tender Agent, or the agent of either of them, for the account of the Borrower, including, but not limited to, Pledged Bonds, or (ii) Bonds which the Borrower has notified the Trustee in writing, or which, to the actual knowledge of the Trustee, were purchased by another Person for the account of the Borrower, including, but not limited to, Pledged Bonds.

"Business Day" means a day which is not a Saturday, Sunday or any other day on which banking institutions in New York, New York, or the city or cities in which the Administrative Office or Payment Office of the Trustee, or the Administrative Office or Payment Office of the Tender Agent, or principal office of the Remarketing Agent or the Credit Facility Provider is located, are required or authorized to close.

"Cede & Co." means Cede & Co., as nominee of The Depository Trust Company, New York, New York, or any successor nominee of the Securities Depository with respect to the Bonds.

"Code" means the Internal Revenue Code of 1986, as amended from time to time. References to the Code and Sections of the Code include relevant applicable regulations, temporary regulations and proposed regulations thereunder, and any successor provisions to those Sections, regulations, temporary regulations or proposed regulations.

"Credit Documents" means the Credit Facility Agreement, the Mortgage, the Bond Pledge Agreement, the Environmental Indemnity Agreement, and the Guaranty Agreements, in each case as the same may be amended, restated or supplemented.

"Credit Facility" means initially the irrevocable direct-pay letter of credit, and any renewals in accordance with the provisions of the Credit Facility and the Credit Facility Agreement, issued by U.S. Bank National Association, and thereafter any Alternate Credit Facility.

"Credit Facility Account" means the account by that name in the Revenue Fund created in Section 501.

"Credit Facility Agreement" means the Application for Letter of Credit and Reimbursement Agreement dated as of March 1, 2016, between the Borrower and the Credit Facility Provider, as amended, supplemented or restated from time to time, and any similar agreement or agreements with respect to the issuance of an Alternate Credit Facility.

"Credit Facility Provider" means initially U.S. Bank National Association, a national banking association, issuer of the Credit Facility, and any provider or providers of an Alternate Credit Facility.

"Debt Service Fund" means the fund by that name created in Section 501.

"Default" means any event or condition which, or with the giving of any requisite notice or upon the passage of any requisite time period or upon the occurrence of both, would constitute an Event of Default under the Financing Agreement or this Indenture.

"Default Rate" means the interest rate announced form time to time by the Trustee (or a banking affiliate of the Trustee) as its prime rate or base rate on commercial loans (which rate fluctuates as and when said prime rate or base rate changes) plus 4.0%.

"Determination of Taxability" means (i) a determination by the Commissioner or any District Director of the Internal Revenue Service, (ii) a private ruling or Technical Advice Memorandum issued by the National Office of the Internal Revenue Service in which the Borrower was afforded the opportunity to participate, (iii) a determination by any court of competent jurisdiction, or (iv) receipt by the Trustee, at the request of the Borrower, the Credit Facility Provider or any Bondowner, of an Opinion of Bond Counsel that the interest on the Bonds is includable in gross income for federal income tax purposes of the Owners thereof or any former Owner thereof, other than an Owner who is a "substantial user" (as such term is defined in Section 147(a) of the Code) of the Project or a Related Person; provided, however, that no such

Determination of Taxability under clause (i) or (iii) shall be deemed to have occurred if the Borrower has been afforded the opportunity to contest such determination, has elected to contest such determination in good faith and is proceeding with all applicable dispatch to prosecute such contest until the earliest of (a) a final determination from which no appeal may be taken with respect to such determination, (b) abandonment of such appeal by the Borrower, or (c) one year from the date of initial determination.

"Eligible Account" means an account that is either (a) maintained with a federal or state-chartered depository institution or trust company that has a Standard & Poor's long-term debt rating of at least "A"; or (b) maintained with the corporate trust department of a federal depository institution or state-chartered depository institution subject to regulations regarding fiduciary funds on deposit, which, in either case, has corporate trust powers and is acting in its fiduciary capacity, and the account is governed by 12 C.F.R. §9.10(b). In the event that an account required to be an "Eligible Account" no longer complies with the requirement, the Trustee should promptly (and, in any case, within not more than 60 calendar days) move such account to another financial institution such that the Eligible Account requirement will again be satisfied.

"Environmental Indemnity Agreement" means the Hazardous Materials Indemnity Agreement dated as of March 1, 2016, from the guarantors named therein, for the benefit of the Credit Facility Provider, as amended, supplemented or restated from time to time.

"Event of Default" means any event or occurrence as defined in Section 801.

"Financing Agreement" means the Amended and Restated Financing Agreement dated as of March 1, 2016, among the Issuer, the Trustee and the Borrower, as further from time to time amended, supplemented or restated in accordance with the provisions of Section 9.2 of the Original Financing Agreement and Article XI.

"Fiscal Year" means the fiscal year of the Borrower as may be established from time to time and of which the Borrower gives written notice to the Trustee. The Fiscal Year initially is January 1 to December 31.

"Funds" means the funds created pursuant to Article V.

"Government Securities" means direct obligations of, or obligations the payment of the principal of and interest on which are unconditionally guaranteed by, the United States of America.

"Immediate Notice" means notice by telephone, telegram, telex, telecopier or other telecommunication device (but excluding internet e-mail) to such phone numbers or addresses as are specified in Section 1302 or such other phone number or address as the addressee shall have directed in writing, promptly followed by written notice by first-class mail postage prepaid to such addresses.

"Indenture" means this Amended and Restated Trust Indenture as originally executed by the Issuer and the Trustee, as from time to time amended, supplemented or restated by Supplemental Indentures in accordance with the provisions of Article X.

"Interest Account" means the account by that name in the Debt Service Fund created in Section 501.

"Interest Mode" means a period of time relating to the frequency with which the interest rate on the Bonds is determined pursuant to Section 203, which Interest Mode may be a Weekly Mode, a Monthly Mode, a Semiannual Mode, an Annual Mode or a Multiyear Mode.

"Interest Mode Adjustment Date" means a date on which the Interest Mode is changed from one Interest Mode to a different Interest Mode, and such date shall be an Interest Payment Date.

"Interest Mode Adjustment Notice" means the notice of a new Interest Mode in accordance with Section 204 in substantially the form of Exhibit D.

"Interest Payment Date" means the date on which an interest installment is required to be paid on the Bonds to the Owners thereof, (i) with respect to all Bonds other than Pledged Bonds, (1) as to any Weekly Mode or Monthly Mode, the first Business Day of each month, commencing April 1, 2016; (2) as to any Semiannual Mode, Annual Mode or Multiyear Mode, each June 1 and December 1, commencing with the first June 1 or December 1 which is at least 60 days after the Interest Mode Adjustment Date; (3) an Interest Mode Adjustment Date; and (4) an Alternate Credit Facility Date; and (ii) with respect to Pledged Bonds, the first Business Day of each calendar month and the date of sale of Pledged Bonds.

"Interest Period" means the period from and including each Interest Payment Date for an Interest Mode to and including the day immediately preceding the following Interest Payment Date for such Interest Mode, except that the first Interest Period shall be the period from and including the date of original delivery of the Bonds to and including the day immediately preceding the first Interest Payment Date for the Bonds.

"Investment Securities" means any of the following securities purchased in accordance with Section 602, if and to the extent the same are at the time legal for investment of the funds being invested:

(a) Government Securities;

(b) Federal Home Loan Mortgage Corporation (Freddie Mac) and Farm Credit Banks (Federal Land Banks, Federal Intermediate Credit Banks and Banks for Cooperatives) participation certificates and senior debt obligations which bear interest at a fixed rate and are fully amortizing;

(c) Federal National Mortgage Association (Fannie Mae) mortgage backed securities and senior debt obligations which bear interest at a fixed rate and are fully amortizing;

(d) Student Loan Marketing Association (Sallie Mae) letter of credit backed issues and senior debt obligations;

(e) federal funds, certificates of deposit, time deposits and bankers' acceptances (having original maturities of not more than 365 days) of any bank (including the Trustee and its affiliates) the unsecured, uninsured and unguaranteed debt obligations of which (or, in the case of a bank subsidiary in a bank holding company, debt obligations of the bank holding company) have been rated "AA" or "A-1+" (or equivalent) by the Rating Agency at the time of purchase;

(f) certificates of deposit issued by institutions which are members of the Federal Deposit Insurance Corporation (including without limitation, the Trustee or any bank affiliated with the Trustee);

(g) commercial paper (having original maturities of not more than 270 days) rated "A-1" at the time of purchase or its equivalent by either Rating Agency;

(h) obligations rated "AA" or "A-1+" at the time of purchase or its equivalent by the Rating Agency, or unrated general obligations of any Person which has outstanding other unsecured, uninsured and unguaranteed obligations which are so rated by either Rating Agency;

(i) tax-exempt obligations of any state of the United States of America or any political subdivision or other instrumentality of any such state, which obligations are rated at the time of purchase in either of the two highest rating categories (i.e., "AA" or higher) of either Rating Agency and are not "specified private activity bonds" as defined in Section 57(a)(5)(C) of the Code;

(j) tax-exempt money market funds which at the time of purchase are "qualified regulated investment companies" within the meaning of IRS Notice 87-22, dated September 25, 1987, and which meet the other requirements of IRS Notice 87-22 and any subsequent regulations necessary to exempt investments in such funds from the definition of "investment property" under Section 148 of the Code whose assets are solely invested in obligations rated in either of the two highest rating categories by the Rating Agency;

(k) any shares in money market mutual funds provided such money market mutual funds are rated at least "AAm" or "AAm-G" (or equivalent) by the Rating Agency; and

(l) any other investment approved by the Credit Facility Provider in writing.

"Investor Letter" means a letter from a proposed transferee of a Bond in the form of Exhibit F.

"Lease" means the Base Lease Agreement dated as of December 1, 1999, as amended by the First Amendment to Base Lease Agreement dated as of March 1, 2016, between the Borrower and the Issuer, as amended or supplemented from time to time.

"Letter of Representations" means, collectively, the blanket letters from the Issuer and the Trustee to the Securities Depository representing the matters necessary to qualify the Bonds pursuant to Section 210.

"Loan" (or "Mortgage Loan" as such term is used in certain other Bond Documents) means the loan of the proceeds of the Bonds to the Borrower, as evidenced by the Note.

"Manager" means each of Paul S. Fingersh and Peter Engelman, and their permitted successors and assigns, collectively, the "Managers."

"Mandatory Purchase Date" means each date designated for the purchase of the Bonds in accordance with the provisions of Section 302(d).

"Maximum Rate" means the maximum rate set forth in the Credit Facility used to compute the interest component of the Credit Facility, but in no event higher than 10%.

"Monthly Mode" means an Interest Mode during which the interest rate on the Bonds is determined in monthly intervals, except that the first period will be from the Interest Mode Adjustment Date to, but not including, the next Rate Adjustment Date.

"Moody's" means Moody's Investors Service, a corporation organized and existing under the laws of the State of Delaware, and its successors and assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, "Moody's" shall be deemed to refer to any other nationally recognized securities rating agency designated by the Borrower, with the prior written approval of the Credit Facility Provider, by written notice to the Trustee and the Issuer.

"Mortgage" means the Mortgage with Absolute Assignment of Leases and Rents, Security Agreement and Fixture Filing dated as of March 1, 2016, from the Borrower for the benefit of the Credit Facility Provider, as amended, supplemented or restated from time to time, or any similar agreements executed for the benefit of the Credit Facility Provider.

"Multiyear Mode" means an Interest Mode during which the interest rate on the Bonds is determined at intervals of integral (greater than one) multiples of twelve months (except that the first period will be from the Interest Mode Adjustment Date to, but not including, the next Rate Adjustment Date) or is fixed to the final maturity of the Bonds.

"New York Time" means the time on any given day in the City of New York, New York, whether such time be Eastern Standard Time or Eastern Daylight Saving Time.

"Note" (or "Mortgage Note," as such term is used in certain other Bond Documents) means the Amended and Restated Multifamily Note dated March 15, 2016, from the Borrower to the Trustee pursuant to the Financing Agreement, as amended, supplemented or restated from time to time.

"Notice of Election to Tender Bonds" means the Notice of Election to Tender Bonds in substantially the form of Exhibit C delivered by a Bondowner to the Tender Agent pursuant to Section 301 which contains a demand for the purchase of Bonds on the Tender Date.

"Opinion of Bond Counsel" means an Opinion of Counsel from Bond Counsel, addressed to the Trustee, for the benefit of the Trustee, the Owners of the Bonds, and the Credit Facility Provider.

"Opinion of Counsel" means a written opinion of an attorney or firm of attorneys addressed to the Issuer, the Trustee and the Credit Facility Provider, who may (except as otherwise expressly provided in this Indenture) be counsel to the Issuer, the Borrower, the Credit Facility Provider or the Trustee, and who is acceptable to the Issuer, the Trustee and the Credit Facility Provider.

"Original Financing Agreement" means the Financing Agreement dated as of December 1, 1999 among the Issuer, State Street Bank and Trust Company of Missouri, N.A., predecessor to the Trustee, and the Borrower.

"Original Indenture" means the Trust Indenture dated as of December 1, 1999 between the Issuer and State Street Bank and Trust Company of Missouri, N.A., predecessor to the Trustee.

"Outstanding" when used with reference to Bonds, means, as of a particular date, all Bonds theretofore authenticated and delivered under this Indenture except:

(a) Bonds theretofore cancelled by the Trustee or delivered to the Trustee for cancellation pursuant to Section 209;

(b) Bonds that are deemed to have been paid in accordance with Article XII;

(c) Bonds in exchange for or in lieu of which other Bonds have been authenticated and delivered pursuant to Article II;

(d) Undelivered Bonds; and

(e) for purposes of any consent or other action to be taken by the Owner of a specified percentage of Bonds under this Indenture or the Financing Agreement, Bonds registered in the

name of the Issuer or Borrower Bonds. Notwithstanding the foregoing, Bonds so owned which have been pledged in good faith shall not be disregarded as aforesaid if the pledgee establishes to the satisfaction of the Trustee the pledgee's right so to act with respect to such Bonds and that the pledgee is not the Issuer or the Borrower.

"Paying Agent" means the Tender Agent as to all Tendered Bonds, the Trustee as to all other Bonds, and any other bank or trust institution organized under the laws of any state of the United States of America or any national banking association designated by this Indenture or any Supplemental Indenture as paying agent for the Bonds at which the principal of, and redemption premium, if any, on, such Bonds shall be payable.

"Payment Office" means, (i) with respect to the initial Trustee and Tender Agent, for payment, registration, maintenance of the Bond Register, tender of Bonds and exchange purposes, initially 928 Grand Boulevard, Kansas City, Missouri 64106-2040, Attention: Corporate Trust Bond Operations Department, and (ii) with respect to any successor Trustee or Tender Agent, its office or offices for those purposes designated as such by the successor Trustee or Tender Agent.

"Person" and "person" means an individual, a corporation, a partnership, an association, a joint stock company, a joint venture, a trust, an unincorporated organization, a limited liability company, or a government or any agency or political subdivision thereof.

"Placement Date" means any date on which a Pledged Bond is purchased from the Borrower by a Person designated by the Remarketing Agent pursuant to the Remarketing Agreement or is sold by the Borrower.

"Pledged Bonds" means any Bonds purchased by the Borrower with payments made under the Credit Facility, which Bonds are registered in the name of the Borrower and held by the Trustee on behalf of the Credit Facility Provider pursuant to the terms of the Bond Pledge Agreement, until such time as such Bonds are sold by the Borrower or by the Remarketing Agent.

"Principal Account" means the account by that name in the Debt Service Fund created in Section 501.

"Principal Payment Date" means the maturity date or redemption date (including as a result of acceleration) of any Bond.

"Principal Reserve Fund" means the Principal Reserve Fund established by the Trustee pursuant to Section 504.

"Principal Reserve Payments" means the payments to be made by the Borrower for deposit to the Principal Reserve Fund in accordance with Section 4.4(n) of the Credit Facility Agreement (as that provision may be amended, supplemented or restated from time to time).

"Project" means the Project described in the recitals of this Indenture, including the Project Site and the buildings, improvements, fixtures, furnishings, machinery and equipment and related support facilities, and any additions, modifications, equipment, replacements, repairs, reconstruction, restoration or substitutions thereto made pursuant to Section 5.1 or 5.6 of the Financing Agreement.

"Project Site" means all of the real estate described in Exhibit A to the Regulatory Agreement.

"Purchase Fund" means the fund by that name created by Section 501.

"Qualified Institutional Buyer" means a "qualified institutional buyer" as defined in Rule 144A (17 C.F.R. §230.144A(a)(i)) promulgated under the Securities Act of 1933.

"Rate Adjustment Date" means the date as of which the interest rate determined for an Interest Mode shall be effective, which (i) for the Weekly Mode shall be Thursday of each week (whether or not a Business Day); (ii) for the Monthly Mode shall be the first Business Day of each month; (iii) for the Semiannual Mode shall be June 1 and December 1; (iv) for the Annual Mode or a Multiyear Mode shall be June 1; and (v) for any Interest Mode, shall be the Interest Mode Adjustment Date. The initial Rate Adjustment Date is March 17, 2016.

"Rate Determination Date" means no later than 4:00 p.m., New York Time, on the Business Day immediately preceding a Rate Adjustment Date during a Weekly Mode or a Monthly Mode, and on a Business Day which is at least one Business Day immediately preceding a Rate Adjustment Date during a Semiannual Mode, Annual Mode or Multiyear Mode.

"Rate Period" means the period from a Rate Adjustment Date to, but not including, the next Rate Adjustment Date.

"Rating Agency" means Standard & Poor's, if the Bonds are then rated by Standard & Poor's, Moody's, if the Bonds are then rated by Moody's, and any other national rating service which has outstanding credit rating on the Bonds; provided if the Bonds are not rated, then references in this Indenture to the Rating Agency shall be of no force and effect.

"Rebate Fund" means the fund by that name created in Section 501.

"Record Date" means, with respect to Bonds in a Semiannual Mode, an Annual Mode or a Multiyear Mode, the fifteenth calendar day, whether or not a Business Day, of the month preceding such Interest Payment Date, and, with respect to Bonds in a Weekly Mode or Monthly Mode, the Business Day immediately preceding such Interest Payment Date.

"Redemption Account" means the account by that name in the Debt Service Fund created in Section 501.

"Regulatory Agreement" means the Amended and Restated Land Use Restriction Agreement dated as of December 1, 1999, as amended by the First Amendment to Amended and Restated Land Use Restriction Agreement dated as of March 1, 2016, among the Issuer, the Trustee and the Borrower, as amended, supplemented or restated from time to time.

"Related Person" means a "related person" within the meaning of Section 147(a) of the Code.

"Remarketing Agent" means the remarketing agent at the time serving as such under the Remarketing Agreement and designated as the Remarketing Agent for purposes of this Indenture. The initial Remarketing Agent is Stern Brothers & Co.

"Remarketing Agreement" means the Remarketing Agreement dated as of December 1, 1999, as amended by the First Amendment to Remarketing Agreement dated as of March 1, 2016, between the Borrower and the Remarketing Agent, as amended, supplemented or restated from time to time, or, if such Remarketing Agreement shall be terminated, such other agreement, approved by the Credit Facility Provider, which may from time to time be entered into with any Remarketing Agent with respect to the remarketing or placement of the Bonds.

"Remarketing Proceeds" means proceeds from the resale by the Remarketing Agent of Bonds delivered for purchase pursuant to Section 301 or 302 that have not been commingled with other funds which do not constitute Remarketing Proceeds, and proceeds from the investment thereof; provided, that Remarketing Proceeds cannot include any moneys provided by the Issuer, the Borrower, a guarantor of the Bonds, if any, or any Person which is an "insider" (within the meaning of Title 11 of the United States Code, as amended) of the Issuer, the Borrower or any guarantor of the Bonds.

"Replacement Bonds" means, if the use of the book-entry system of the Securities Depository pursuant to Section 210 is discontinued, one or more Bond certificates in principal amounts corresponding to the identifiable beneficial owners' interests in the Bonds pursuant to the records of the Securities Depository.

"Revenue Fund" means the fund by that name created in Section 501.

"Revenues" means the amounts pledged hereunder to the payment of principal of, premium, if any, and interest on the Bonds, consisting of the following: (i) all income, revenues, proceeds, rent and other amounts, to which the Issuer is entitled, derived from the Borrower from or in connection with the Project (except the Reserved Rights (as defined in the Financing Agreement)), including all scheduled payments under the Financing Agreement, payments received on the Credit Facility and all receipts of the Trustee credited under the provisions of this Indenture against said amounts payable, and (ii) moneys held in the Funds and Accounts, together with investment earnings thereon, other than moneys in the Rebate Fund and arbitrage rebate not deposited therein and funds held for the payment of specific Bonds pursuant to Section 508 or amounts held in the Principal Reserve Fund or the Purchase Fund. Principal Reserve Payments do not constitute Revenues under this Indenture.

"Securities Depository" means The Depository Trust Company, New York, New York, or any successor Securities Depository appointed pursuant to Section 210.

"Semiannual Mode" means an Interest Mode during which the interest rate on the Bonds is determined at six-month intervals, except that the first period will be from the Interest Mode Adjustment Date to, but not including, the next Rate Adjustment Date.

"SIFMA Municipal Swap Index" means The Securities Industry and Financial Markets Association (SIFMA) Municipal Swap Index as disseminated by Municipal Market Data, a Thomson Financial Services Company, or its successor, weekly, generally Wednesday, and is effective as of the immediately succeeding Thursday for the period until the SIFMA Municipal Swap Index is recalculated and becomes effective (generally through the following Wednesday).

"Standard & Poor's" means Standard & Poor's, A Division of McGraw-Hill, Inc., a corporation organized and existing under the laws of the State of New York, its successors and assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, Standard & Poor's shall be deemed to refer to any other nationally recognized securities rating agency designated by the Borrower, with the prior written approval of the Credit Facility Provider, by written notice to the Trustee and the Issuer.

"State" means the State of Kansas.

"Sublease" means the Sublease Agreement dated as December 1, 1999, as amended by the First Amendment to Sublease Agreement dated as of March 1, 2016, between the Borrower and the Issuer, as amended or supplemented from time to time.

"Substitution Date" means March 16, 2016.

"Supplemental Indenture" means any indenture supplemental or amendatory to this Indenture entered into by the Issuer and the Trustee pursuant to Article X.

"Tax Agreement" means the Tax Compliance Agreement dated as of March 1, 2016, among the Issuer, the Trustee and the Borrower, as amended, supplemented or restated from time to time.

"Tender Agent" means initially the Trustee, and any successor tender agent appointed pursuant to Section 914. The Tender Agent shall act as Paying Agent as to Tendered Bonds.

"Tender Date" means (a) each date designated by a Bondowner for purchase of any Bonds in accordance with the provisions of Section 301, and (b) each date on which Bonds are required to be tendered in accordance with the provisions of Section 302, including any Mandatory Purchase Date, whether or not such Bonds are actually tendered.

"Tender Price" means 100% of the principal amount of any Tendered Bond plus interest accrued and unpaid thereon to, but not including, the Tender Date.

"Tendered Bonds" means (a) any Bonds tendered by a Bondowner for purchase pursuant to Section 301, and (b) any Bonds required to be tendered for purchase pursuant to Section 302, unless a proper waiver has been made by the Owner of such Bonds, in each case whether or not such Bonds are actually tendered.

"Termination Date" means (i) if the Credit Facility is not a letter of credit, the maturity or expiration date of the Credit Facility or, if such day is not a Business Day, the next preceding Business Day, or (ii) if the Credit Facility is a letter of credit, the last Interest Payment Date which is at least five days preceding the date on which the Credit Facility is to expire or terminate pursuant to its terms, in each case including any extension of such maturity or expiration date.

"Trust Estate" means the Trust Estate described in the granting clauses of this Indenture.

"Trustee" means UMB Bank, N.A., in its capacity as Trustee under this Indenture, and any co-trustee or successor or permitted assignee trustee appointed, qualified and then acting as such under the provisions of this Indenture.

"Unavailable Moneys Account" means the account by that name in the Revenue Fund created in Section 501.

"Undelivered Bonds" means Bonds which are deemed to have been tendered to the Trustee or Tender Agent, as applicable, for purchase pursuant to Section 301 or 302 but which have not been surrendered to the Trustee or Tender Agent, as applicable.

"Weekly Mode" means an Interest Mode during which the interest rate on the Bonds is determined in weekly intervals, except that the first period will be from the Interest Mode Adjustment Date to, but not including, the next Rate Adjustment Date.

"Written Request" with reference to the Issuer means a request in writing signed by the Authorized Issuer Representative and with reference to the Borrower means a request in writing signed by the Authorized Borrower Representative.

Section 102. Rules of Interpretation.

For all purposes of this Indenture, except as otherwise expressly provided or unless the context otherwise requires:

(a) Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders.

(b) Words importing the singular number shall include the plural and vice versa and words importing person shall include firms, partnerships, limited liability companies, associations and corporations, including public bodies, as well as natural persons.

(c) The table of contents hereto and the headings and captions herein are not a part of this document.

(d) Terms used in an accounting context and not otherwise defined shall have the meaning ascribed to them by generally accepted principles of accounting.

(e) If the Borrower is a limited partnership, references in this Indenture to "Manager" or "Member" means "General Partner" or "Partner," respectively. If the Borrower is not a limited liability company, partnership or limited partnership, references in this Indenture to "Manager" or "Member" will be of no force or effect.

(f) Wherever an item or items are listed after the word "including," such listing is not intended to be a listing that excludes items not listed.

(g) If the Bonds are not then rated, any reference to the giving of notice to, or obtaining the approval of, the Rating Agency will be of no force and effect.

(h) Any consent or direction of the Credit Facility Provider is to be evidenced by a writing executed by the Authorized Credit Facility Provider Representative.

(i) If the Tender Agent and the Trustee are the same entity, any notice between the Trustee and the Tender Agent will not be given.

ARTICLE II

THE BONDS

Section 201. Authorization, Issuance and Terms of Bonds.

(a) Authorized Amount of Bonds. No Bonds may be issued under the provisions of this Indenture except in accordance with this Article. The total aggregate principal amount of the Bonds that may be issued hereunder and at any time Outstanding is hereby expressly limited to $9,350,000. The outstanding principal amount of the Bonds as of the Substitution Date is $8,850,000.

(b) Title of Bonds. The Bonds authorized to be issued under this Indenture shall be designated "Multifamily Housing Revenue Refunding Bonds (The Falls Apartments Project) Series 1999."

(c) Form of Bonds. The Bonds shall be substantially in the form of Exhibit A, with such appropriate variations, omissions and insertions as are permitted or required by this Indenture, and may

have endorsed thereon such legends or text as may be necessary or appropriate to conform to any applicable rules and regulations of any governmental authority or any usage or requirement of law with respect thereto.

(d) Denominations. The Bonds are issuable as fully registered Bonds without coupons in Authorized Denominations only.

(e) Numbering. The Bonds will be numbered from R-1 upward.

(f) Dating. The Bonds delivered on or after the Substitution Date will be dated as of the date they are authenticated by the Trustee and shall bear interest from the most recent Interest Payment Date to which interest has been paid or for which due provision has been made or if no Interest Payment Date has occurred, the dated date thereof.

(g) Maturity. The Bonds will mature on December 15, 2034. The Bonds are subject to optional, extraordinary and mandatory redemption as provided in Article IV, and will bear interest as provided in Section 203.

(h) Tender and Purchase of Bonds. The Bonds are subject to optional and mandatory tender for purchase as provided in Article III.

(i) Method and Place of Payment. Except as provided herein, the principal of, and redemption premium, if any, and interest on the Bonds shall be payable in any coin or currency of the United States of America which, at the respective dates of payment thereof, is legal tender for the payment of public and private debts. Principal and premium, if any, shall be payable by check or draft at the Payment Office of the Trustee or at the office of any alternate Paying Agent, and, with respect to the Tender Price, at the Payment Office of the Tender Agent, upon presentation and surrender of such Bonds. Payment of interest on any Bond shall be made by check or draft of the Trustee mailed to the person in whose name such Bond is registered on the Bond Register as of the close of business of the Trustee on the Record Date for such Interest Payment Date, except that interest not duly paid or provided for when due shall be payable to the person in whose name such Bond is registered at the close of business on the Business Day immediately preceding the date of payment of such defaulted interest. In the case of an interest payment to any Owner of $1,000,000 or more in aggregate principal amount of Bonds as of the close of business of the Trustee on the Record Date for a particular Interest Payment Date or in the case of the purchase from an Owner of $1,000,000 or more in aggregate principal amount of Bonds on the Tender Date, payment of interest or the Tender Price, as applicable, is payable by electronic transfer of immediately available federal funds pursuant to the written instructions from any Owner of $1,000,000 or more in aggregate principal amount of Bonds. The electronic transfer instructions must include the name, address and ABA routing number of the bank (located in the continental United States) and the account name and number to which payment is to be credited and acknowledge an electronic transfer fee payable by the Owner. Written notice must be given by such Owner to the Trustee not less than 15 days prior to a Record Date and, with respect to payment of the Tender Price, which written notice accompanies the Owner's Notice of Election to Tender Bonds or is otherwise provided by the Owner three days prior to the Tender Date. All checks or drafts for the payment of the principal and redemption price of and interest on the Bonds shall include or have enclosed therewith the CUSIP number and appropriate payment amount for each CUSIP number. The Trustee shall use its best efforts to include the CUSIP number and appropriate payment amount for each CUSIP number with respect to all electronic transfers of the payment of the principal and redemption price of and interest on the Bonds. If any Bondowner fails to provide a correct taxpayer identification number to the Trustee or the Tender Agent, the Trustee or the Tender Agent may impose a charge against such Bondowner sufficient to pay any governmental charge required to be paid as a result of such failure and such amount may be deducted by the Trustee or the Tender Agent from amounts otherwise payable to such Bondowner under this Indenture or under the Bonds.

Section 202. Nature of Obligations.

(a) The Bonds and the interest thereon are limited obligations of the Issuer payable solely from proceeds of the Bonds, the Revenues and other moneys pledged thereto and held by the Trustee as provided herein, and are secured by a transfer, pledge and assignment of and a grant of a security interest in the Trust Estate to the Trustee and in favor of the Owners of the Bonds, as provided in this Indenture.

(b) The Bonds, together with interest thereon, are special, limited obligations of the Issuer giving rise to no charge against the Issuer's general credit and payable solely from, and constitute claims of the Bondowners against only, the Trust Estate. **THE BONDS AND THE PREMIUM (IF ANY) AND INTEREST ON THE BONDS ARE SPECIAL, LIMITED OBLIGATIONS OF THE ISSUER, ISSUED UNDER THE ACT. THE PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST ON THE BONDS ARE PAYABLE SOLELY FROM THE TRUST ESTATE UNDER THIS INDENTURE. THE BONDS AND THE INTEREST THEREON SHALL NOT CONSTITUTE A DEBT OF THE ISSUER, THE STATE OR ANY MUNICIPAL CORPORATION THEREOF AND ARE NOT PAYABLE IN ANY MANNER BY TAXATION. THE BONDS DO NOT CONSTITUTE AN INDEBTEDNESS WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY DEBT LIMITATION OR RESTRICTION.**

(c) No recourse shall be had for the payment of the principal of, or premium, if any, or interest on, any of the Bonds or for any claim based thereon or upon any obligation, provision, covenant or agreement contained in this Indenture or any other document to which the Issuer is a party, against any past, present or future officer, official, employee or agent of the Issuer, or any officer, official, employee or agent of any successor to the Issuer, as such, either directly or through the Issuer or any successor to the Issuer, under any rule of law or equity, statute or constitution or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such officer, official, employee or agent as such is hereby expressly waived and released as a condition of and in consideration for the execution of this Indenture and the issuance of any of the Bonds. Neither the officers of the Issuer nor any person executing the Bonds shall be personally liable on the Bonds by reason of the issuance thereof.

(d) It is recognized that notwithstanding any other provision of this Indenture, none of the Borrower, the Trustee or any Bondowner shall look to the Issuer for damages suffered by the Borrower, the Trustee or such Bondowner as a result of the failure of the Issuer to perform any covenant, undertaking or obligation under this Indenture, the Bonds, any other Bond Document or any of the other documents referred to herein, or as a result of the incorrectness of any representation made by the Issuer in any of such documents, or for any other reason. Although this Indenture recognizes that such documents shall not give rise to any pecuniary liability of the Issuer, nothing contained in this Indenture shall be construed to preclude in any way any action or proceeding (other than that element of any action or proceeding involving a claim for monetary damages against the Issuer) in any court or before any governmental body, agency or instrumentality or otherwise against the Issuer or any of its officers or employees to enforce the provisions of any of such documents which the Issuer is obligated to perform and the performance of which the Issuer has not assigned to the Trustee or any other person provided, however, that as a condition precedent to the Issuer proceeding pursuant to this Section, the Issuer has received satisfactory indemnification.

Section 203. Interest Rates and Interest Payment Provisions.

(a) Calculation of Interest. Subject to the provisions of Section 802, the Bonds shall bear interest from and including the date thereof until payment of the principal or redemption price thereof shall have been made or provided for in accordance with the provisions hereof, whether at maturity, upon redemption or otherwise. Anything herein to the contrary notwithstanding, in no event shall the interest

rate borne by the Bonds at any time exceed the Maximum Rate. Subject to such limitation, the interest rate on the Bonds shall be determined as provided in this Section. Interest accrued on the Bonds during each Interest Period shall be paid on the next succeeding Interest Payment Date and, while the Bonds are in a Weekly Mode or a Monthly Mode, shall be computed on the basis of a year of 365 or 366 days, as appropriate, for the actual number of days elapsed and, while the Bonds are in a Semiannual Mode, an Annual Mode or a Multiyear Mode, shall be computed on the basis of a year of 360 days and twelve 30-day months. The Trustee shall calculate the amount of interest to be paid on each Interest Payment Date, which, to the extent not determinable, shall be calculated (on a preliminary basis) at the Maximum Rate. The Trustee shall notify the Borrower and the Credit Facility Provider of such amount by 11:00 a.m., New York Time, on the Business Day next preceding each Interest Payment Date.

(b) Standard for Determination of Interest Rate. The Remarketing Agent shall determine the interest rate for the Bonds for the Rate Period commencing with each Rate Adjustment Date to be the lowest rate which, in the best judgment of the Remarketing Agent, on the Rate Determination Date, would result in the market value of the Bonds on the Rate Adjustment Date being equal to 100% of their principal amount. In determining such interest rate, the Remarketing Agent shall have due regard for general financial conditions and such other conditions as, in the judgment of the Remarketing Agent, have a bearing on the interest rate on the Bonds, including then prevailing market conditions, the yields at which comparable securities are then being sold, the tender provisions applicable thereto during the forthcoming Rate Period, and the tax-exempt status of the Bonds. Each determination of the interest rate for the Bonds, as provided herein, shall be conclusive and binding upon the Bondowners, the Issuer, the Borrower, the Tender Agent, the Remarketing Agent, the Credit Facility Provider and the Trustee. Upon request, the Remarketing Agent shall give the Issuer, the Trustee, the Credit Facility Provider, the Borrower or the Tender Agent Immediate Notice of the interest rate on the Bonds at any time.

(c) Determination and Effective Date. On each Rate Determination Date, the Remarketing Agent shall determine the interest rate that the Bonds shall bear during the Rate Period following such Rate Determination Date. The interest rate so determined shall be effective on the Rate Adjustment Date. Promptly after each Rate Determination Date, the Remarketing Agent shall give written notice by facsimile or electronic mail of the interest rate so set to the Trustee and the Borrower.

(d) Alternative Rate Calculation. If for any reason the interest rate for the Bonds is not or cannot be established as provided in the preceding subsections, or is held invalid or unenforceable by a court of law, all Bonds shall immediately convert to a Weekly Mode, anything in this Indenture to the contrary notwithstanding. The interest rate for the Bonds then shall be a rate equal to the lesser of (i) the SIFMA Municipal Swap Index plus 0.15% or, if that index is not then available, the last interest rate set for Bonds in the Weekly Mode or (ii) the Maximum Rate.

Section 204. Initial Interest Mode; Change in Interest Mode.

(a) The Bonds shall initially be in a Weekly Mode. The Interest Mode for the Bonds may be changed from time to time at the option of the Borrower, with the prior written consent of the Credit Facility Provider exercised as provided in this Section, to another Interest Mode selected by the Borrower, on any date on which the Bonds are subject to redemption pursuant to Section 401 at a redemption price equal to the principal amount thereof, plus accrued interest, without premium. All Bonds will be in the same Interest Mode. The Borrower may exercise such option at any time by giving written notice not more than 60 nor less than 45 days prior to the Interest Mode Adjustment Date, to the Issuer, the Trustee, the Tender Agent, the Remarketing Agent and the Credit Facility Provider stating its election to convert the Interest Mode for the Bonds to another Interest Mode, which notice shall specify the new Interest Mode and the Interest Mode Adjustment Date. The Interest Mode Adjustment Date shall be a Rate Adjustment Date for the Bonds in such new Interest Mode. Upon the exercise of such option by the Borrower and upon the Trustee's receipt

of the prior written consent of the Credit Facility Provider to the exercise of such option, the Trustee shall mail an Interest Mode Adjustment Notice to each Owner of Bonds as provided in Section 302(f).

(b) The change in the Interest Mode will occur if (i) the Trustee has received, prior to sending the Interest Mode Adjustment Notice, an Opinion of Bond Counsel stating that the change in the Interest Mode is authorized and permitted by this Indenture and the Act and will not cause interest on the Bonds to be includable in gross income for federal income tax purposes and such Opinion of Bond Counsel is confirmed as of the Interest Mode Adjustment Date, (ii) the Credit Facility Provider has given its prior written consent to the change in the Interest Mode and shall have fully and timely made any payment due under the Credit Facility in connection with the related Interest Mode Adjustment Date pursuant to Section 505, (iii) the Trustee has received a Credit Facility (which may be an amendment or replacement of the current Credit Facility from the current Credit Facility Provider) that includes coverage for interest consisting of (A) 35 days plus the number of days for the reinstatement of the interest component of the Credit Facility (calculated at the Maximum Rate on the basis of a year of 365 or 366 days) if the Bonds are in a Weekly Mode or Monthly Mode, or (B) 185 days plus the number of days for the reinstatement of the interest component of the Credit Facility (calculated at the highest rate the Bonds may bear during the remaining term of the current Credit Facility on the basis of a year of 360 days and twelve 30-day months) if the Bonds are in any other Interest Mode, or as otherwise required by the Rating Agency, (iv) the Trustee has received written evidence from the Rating Agency as to the rating on the Bonds to be in effect on the Bonds as of the Interest Mode Adjustment Date, and (v) with respect to a change to a Multiyear Mode, the Termination Date for the Credit Facility in effect on the Interest Mode Adjustment Date must be no earlier than the next Rate Adjustment Date or, if the interest rate is fixed to maturity, the first optional redemption date of the Bonds.

(c) If the conditions to a change in the Interest Mode are not met by the proposed Interest Mode Adjustment Date:

(i) the Bonds will remain in, or be changed to, the Weekly Mode on the proposed Interest Mode Adjustment Date, without any action by any party;

(ii) the Bonds will be subject to mandatory tender on the proposed Interest Mode Adjustment Date; and

(iii) the Remarketing Agent will remarket the Bonds in the Weekly Mode on the proposed Interest Mode Adjustment Date.

Section 205. Execution, Authentication and Delivery of Bonds.

(a) The Bonds shall be executed on behalf of the Issuer by the manual or facsimile signature of its Mayor and attested by the manual or facsimile signature of its City Clerk, and shall have the corporate seal of the Issuer affixed thereto or imprinted thereon. In case any officer whose signature or facsimile thereof appears on any Bonds shall cease to be such officer before the delivery of such Bonds, such signature or facsimile thereof shall nevertheless be valid and sufficient for all purposes, the same as if such person had remained in office until delivery. Any Bond may be signed by such persons who at the actual time of the execution of such Bond shall be the proper officers to sign such Bond although at the date of such Bond such persons may not have been such officers.

(b) The Bonds shall have endorsed thereon a Certificate of Authentication substantially in the form set forth in Exhibit A, which shall be manually executed by the Trustee. No Bond shall be entitled to any security or benefit under this Indenture or shall be valid or obligatory for any purpose unless and until such Certificate of Authentication shall have been duly executed by the Trustee. Such executed Certificate

of Authentication upon any Bond shall be conclusive evidence that such Bond has been duly authenticated and delivered under this Indenture. The Certificate of Authentication on any Bond shall be deemed to have been duly executed if signed by any authorized signatory of the Trustee, but it shall not be necessary that the same authorized signatory sign the Certificate of Authentication on all of the Bonds that may be issued hereunder at any one time.

(c) On the Substitution Date, and prior to or simultaneously with the delivery of the Credit Facility, there shall be filed with the Trustee the following:

(1) an executed counterpart of the resolution adopted by the Issuer on February 17, 2016, authorizing and approving the delivery of the Credit Facility and the authorizing and approving this Indenture, the Financing Agreement and certain other documents, or a copy certified as true and correct by the City Clerk of the Issuer;

(2) an original executed counterpart of this Indenture, the Financing Agreement and the Tax Compliance Agreement;

(3) the original Note and the original Credit Facility;

(4) written evidence from Standard & Poor's Ratings Services, a Division of McGraw-Hill Financial, Inc. that the Bonds will be rated "AA-/A-1+" on the Substitution Date following the substitution of the Credit Facility;

(5) an Opinion of Counsel to the Credit Facility Provider, in form and substance satisfactory to the Issuer, relating to the due authorization and issuance of the Alternate Credit Facility and its enforceability; and

(6) an Opinion of Bond Counsel, dated the Substitution Date, to the effect that the substitution of the Credit Facility will not adversely affect the exclusion from gross income, for federal income tax purposes, of the interest payable on the Bonds.

Section 206. Registration, Transfer and Exchange of Bonds.

(a) The Trustee is hereby appointed Bond Registrar and as such shall keep the Bond Register at its Payment Office. If the Trustee is not also acting as the Tender Agent, then no later than the second Business Day following each Record Date the Trustee shall send a copy of the Bond Register to the Tender Agent by first-class mail.

(b) Any Bond may be transferred only upon the Bond Register upon surrender thereof to the Trustee duly endorsed for transfer or accompanied by an assignment duly executed by the registered Owner or such Owner's attorney or legal representative in such form as shall be satisfactory to the Trustee. Subject to Section 211, upon any such transfer, the Issuer shall execute and the Trustee shall authenticate and deliver in exchange for such Bond a new Bond or Bonds, registered in the name of the transferee, of any Authorized Denomination.

(c) Any Bonds, upon surrender thereof at the Payment Office of the Trustee, together with an assignment duly executed by the Owner or such Owner's attorney or legal representative in such form as shall be satisfactory to the Trustee, may, at the option of the Owner thereof, be exchanged for an equal aggregate principal amount of the Bonds, of any Authorized Denomination.

(d) In all cases in which Bonds shall be exchanged or transferred hereunder, the Issuer shall execute and the Trustee shall authenticate and deliver at the earliest practicable time Bonds in accordance with the provisions of this Indenture. The Trustee will promptly cancel all Bonds surrendered in any such exchange or transfer.

(e) The Issuer or the Trustee may make a charge against each Bondowner requesting a transfer or exchange of Bonds for every such transfer or exchange of Bonds sufficient to reimburse it for any tax or other governmental charge required to be paid with respect to such transfer or exchange, the cost of printing, if any, each new Bond issued upon any transfer or exchange and the reasonable expenses of the Issuer and the Trustee in connection therewith, and such charge shall be paid before any such new Bond shall be delivered. If any Bondowner fails to provide a certified taxpayer identification number to the Trustee, the Trustee may impose a charge against such Bondowner sufficient to pay any governmental charge required to be paid as a result of such failure. In compliance with Section 3406 of the Internal Revenue Code, the Trustee may deduct such amount from amounts otherwise payable to such Bondowner hereunder or under the Bonds.

(f) At reasonable times and under reasonable regulations established by the Trustee, the Bond Register may be inspected and copied by the Borrower, the Issuer, the Credit Facility Provider or by the Owners (or a designated representative thereof) of 10% or more in aggregate principal amount of Bonds then Outstanding, such ownership and the authority of any such designated representative to be evidenced to the satisfaction of the Trustee.

(g) The person in whose name any Bond shall be registered on the Bond Register shall be deemed and regarded as the absolute Owner of such Bond for all purposes, and payment of or on account of the principal of and redemption premium, if any, and interest on any such Bond shall be made only to or upon the order of the registered Owner thereof or such Owner's attorney or legal representative (except that any such payments on Pledged Bonds shall be made to the Credit Facility Provider). All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond, including the interest thereon, to the extent of the sum or sums so paid.

Section 207. Temporary Bonds.

(a) Until definitive Bonds are ready for delivery, the Issuer may execute and, upon request of the Issuer, the Trustee shall authenticate and deliver in lieu of definitive Bonds, but subject to the same limitations and conditions as definitive Bonds, temporary printed, engraved, lithographed or typewritten Bonds.

(b) If temporary Bonds shall be issued, the Issuer shall cause the definitive Bonds to be prepared and to be executed and delivered to the Trustee, and the Trustee, upon presentation to it at its Payment Office of any temporary Bond shall cancel the same and authenticate and deliver in exchange therefor, without charge to the Owner thereof, a definitive Bond or Bonds in the same aggregate amount as the temporary Bond surrendered in Authorized Denominations. Until so exchanged the temporary Bonds shall in all respects be entitled to the same benefit and security of this Indenture as the definitive Bonds to be issued and authenticated hereunder.

Section 208. Mutilated, Lost, Stolen, Destroyed or Undelivered Bonds.

(a) If any Bond is mutilated, lost, stolen or destroyed, the Issuer shall execute and the Trustee shall authenticate and deliver a new Bond of like date and tenor as the Bond mutilated, lost, stolen or destroyed; provided that, in the case of any mutilated Bond, the mutilated Bond shall first be surrendered to the Trustee, and in the case of any lost, stolen or destroyed Bond, there shall be first furnished to the

Trustee evidence of such loss, theft or destruction satisfactory to the Trustee, together with indemnity to hold harmless the Issuer and the Trustee, in form and substance satisfactory to the Trustee. If any such Bond has matured, is about to mature or been called for redemption, instead of delivering a substitute Bond the Paying Agent may pay the same without surrender thereof. Upon the issuance of any substitute Bond, the Issuer and the Trustee may require the payment of an amount by the Bondowner sufficient to reimburse the Issuer and the Trustee for any tax or other governmental charge that may be imposed in relation thereto and any other reasonable fees and expenses incurred in connection therewith.

(b) If there are Undelivered Bonds, the Trustee shall authenticate and deliver, with such delivery to occur at the Payment Office of the Trustee to the new Owner or Owners thereof a new Bond or Bonds of like amount in Authorized Denominations registered in the name of the new Owner or Owners thereof. It shall be the duty of the Tender Agent to hold the moneys received from the remarketing of a replacement Bond issued in place of an Undelivered Bond, without liability for interest thereon, for the benefit of the former Bondowner, who shall thereafter be restricted exclusively to such moneys for any claim of whatever nature under this Indenture or with respect to the Undelivered Bond and so long as the moneys held by the Tender Agent equal the full amount due on such Bond on the Tender Date, whether from such remarketing or payment under the Credit Facility, such Bond shall thereafter no longer be secured by this Indenture or the Credit Facility (except for such moneys so held). Such moneys shall be held by the Tender Agent in the Undelivered Bond Account, along with any other moneys deposited in the Undelivered Bond Account pursuant to Section 309. No moneys held in the Undelivered Bond Account shall be invested.

Section 209. Cancellation and Destruction of Bonds Upon Payment. All Bonds which have been paid or redeemed or which the Trustee has purchased or which have otherwise been surrendered to the Trustee under this Indenture, either at or before maturity, shall be promptly cancelled and periodically destroyed by the Trustee, in accordance with the customary practices of the Trustee and applicable record retention laws, upon the payment, redemption or purchase of such Bonds and the surrender thereof to the Trustee. Bonds at any time held by the Issuer shall be surrendered to the Trustee for cancellation in accordance with the provisions of this Section.

Section 210. Book-Entry System.

(a) The Bonds will initially be registered on the Bond Register maintained by the Trustee in the name of Cede & Co., and beneficial owners will not receive certificates representing their respective interests in the Bonds, except if the Trustee issues Replacement Bonds as provided below. It is anticipated that during the term of the Bonds, the Securities Depository will make book-entry transfers among the participants in the Securities Depository (the "DTC Participants") and receive and transmit notices with respect to, and payments of principal of and interest on, the Bonds until and unless the Trustee authenticates and delivers Replacement Bonds to the beneficial owners as described below.

(b) The Trustee agrees to give the various written notices to the Securities Depository in accordance with the Letter of Representations, including, without limitation, on or prior to each Interest Payment Date a notice to the Securities Depository specifying the amounts of each payment on such Interest Payment Date allocable to interest and to principal.

(c) If the Securities Depository determines to discontinue providing its services with respect to the Bonds and the Issuer, at the direction of the Borrower, cannot obtain a qualified successor Securities Depository, or if DTC Participants holding a majority interest in the Bonds determine not to use the book-entry system of the Securities Depository, the Issuer shall execute and the Trustee shall authenticate and deliver one or more Replacement Bonds to the DTC Participants in principal amounts corresponding to the identifiable beneficial owners' interests in the Bonds. The Trustee may conclusively rely on information

provided by the Securities Depository as to the identities and addresses of the DTC Participants and the beneficial owners and their interests in the Bonds. In such event, all references to the Securities Depository herein shall relate to the period of time when the Securities Depository, or the Trustee as agent of the Securities Depository, has possession of at least one Bond. Upon the issuance of Replacement Bonds, all references herein to obligations imposed upon or to be performed by the Securities Depository shall be deemed to be imposed upon and performed by the Trustee, to the extent applicable, with respect to such Replacement Bonds.

(d) If the Securities Depository resigns, is unable to properly discharge its responsibilities or is no longer qualified to act as a securities depository and registered clearing agency under the Securities Exchange Act of 1934, as amended, or other applicable state or federal statute or regulation, the Issuer, at the written direction of the Borrower, may appoint a successor Securities Depository, provided the Trustee receives written evidence satisfactory to the Trustee with respect to the ability of the successor Securities Depository to discharge its responsibilities. Any successor Securities Depository must be a securities depository that is a registered clearing agency under the Securities Exchange Act of 1934, as amended, or other applicable state or federal statute or regulation. Upon the appointment of a successor Securities Depository, the former Securities Depository will surrender the Bonds, together with assignments duly executed in accordance with the provisions of Section 206, to the Trustee for transfer to the successor Securities Depository, and the Trustee shall cause the authentication and delivery of Bonds to the successor Securities Depository in appropriate denominations and form as provided herein and as directed by the successor Securities Depository.

Section 211. Limitation on Transfer and Exchange.

(a) The provisions of this Section shall not be applicable unless and until the Borrower shall cause an Alternate Credit Facility to be delivered in accordance with Section 706.

(b) Upon delivery of an Alternate Credit Facility, the limitations set forth in this Section shall not apply if the Issuer, the Trustee, the Borrower and the Credit Facility Provider have received an Opinion of Counsel in form and substance satisfactory to the Issuer, the Borrower and the Credit Facility Provider that the Bonds and the Alternate Credit Facility are exempt from registration under the Securities Act of 1933 and any applicable state securities laws. No transfer of any Bond shall be made unless such transfer is made in a transaction which does not require registration or qualification under the Securities Act of 1933 or under any applicable state securities laws and as provided in this Section. The Trustee shall not register any transfer or exchange of a Bond unless (i) such Bondowner's prospective transferee delivers to the Trustee a representation letter substantially in the form set forth as Exhibit F; or (ii) an Opinion of Counsel in form and substance reasonably satisfactory to the Issuer, the Borrower and the Credit Facility Provider that such transfer or exchange is made in accordance with an applicable exemption from the Securities Act of 1933 and applicable state securities laws and such opinion is addressed to and delivered to the Trustee and the Credit Facility Provider; or (iii) such transferee is an Eligible Transferee (as defined below) and the Remarketing Agent, at the expense of the Borrower, has delivered a certificate stating that such transfer complies with the exemption from registration provided by Rule 144A under the Securities Act of 1933 and any applicable state securities laws. As used in this Section, an "Eligible Transferee" is a Qualified Institutional Buyer which has delivered a representation letter to the Trustee substantially in the form set forth as Exhibit F, provided, however, that such representation letter is dated as of a date within the preceding twelve months. Any such holder desiring to effect such transfer shall, and does hereby, agree to indemnify the Issuer, the Trustee, the Borrower and the Credit Facility Provider, and their respective officers, members, employees, directors, shareholders and agents against any liability, cost or expense (including attorneys' fees and expenses) that may result if the transfer is not so exempt, or is not made in accordance with such federal and state laws.

ARTICLE III

TENDER AND PURCHASE OF BONDS

Section 301. Optional Tender of Bonds During Weekly Mode or Monthly Mode.

(a) General. While the Bonds are in a Weekly Mode or Monthly Mode, the Owner of any Bond shall have the right to have such Bond purchased in whole or in part on the dates specified in subsection (b) at the Tender Price. Any purchase in part shall be in a principal amount equal to an Authorized Denomination and after such purchase in part such Owner shall retain a principal amount equal to an Authorized Denomination. An Owner's exercise of the option to have such Bond purchased is irrevocable and binding on such Owner and cannot be withdrawn. If any Owner of Bonds shall fail to deliver the Bonds described in such Owner's Notice of Election to Tender Bonds in accordance with this Section 301, such Bonds shall constitute Undelivered Bonds. Bonds in the place of such Undelivered Bonds shall be executed, authenticated and delivered as provided in Section 208 and such replacement Bonds may be offered and sold by the Remarketing Agent in accordance with this Indenture and the Remarketing Agreement.

(b) Notice of Tender by Bondowners.

(1) Any Bond, or portion thereof, shall be purchased on the Tender Date by the Tender Agent on the demand of the Owner thereof, at the Tender Price, upon delivery to the Tender Agent on a Business Day at its Administrative Office an irrevocable written notice in the form of the Notice of Election to Tender Bonds which states (A) the principal amount and number of such Bond (and the portion of such Bond to be purchased if less than the full principal amount is to be purchased), the name and the address of such Owner and the taxpayer identification number, if any, of such Owner and (B) that such Bond, or portion thereof, is to be purchased on a day (which shall be the Tender Date), which day will be a Business Day which is at least seven, but not more than 30, calendar days after the receipt by the Tender Agent of the Notice of Election to Tender Bonds. The Notice of Election to Tender Bonds shall be deemed received on a Business Day if received by the Tender Agent no later than 3:00 p.m., New York Time, on such Business Day. Any Notice of Election to Tender Bonds received by the Tender Agent after 3:00 p.m., New York Time, shall be deemed received on the next succeeding Business Day.

(2) Any Owner of Bonds who has demanded purchase of its Bond, or portion thereof, as described in this Section 301 shall deliver such Bond (with an appropriate transfer of registration form executed in blank, together with a signature guaranty) to the Tender Agent at its Payment Office prior to 10:30 a.m., New York Time, on the Tender Date specified in the aforesaid written notice.

(c) Failure to Give Notice. Failure by the Tender Agent to redeliver a Notice of Election to Tender Bonds or a Tendered Bond as provided in Section 303 shall not extend the period for making elections, in any way change the rights of the Owners of Bonds to elect to have their Bonds purchased pursuant to this Section or in any way change the conditions which must be satisfied in order for such election to be effective or for payment of the purchase price to be made after an effective election.

Section 302. Mandatory Tender of Bonds.

(a) On Termination Date or Interest Mode Adjustment Date. All Bonds are required to be tendered to the Tender Agent for purchase on the Termination Date or an Interest Mode Adjustment Date.

Any Bondowner required to tender Bonds under this subsection (a) shall tender its Bonds to the Tender Agent for purchase at its Payment Office prior to 10:30 a.m., New York Time, on the Termination Date or the Interest Mode Adjustment Date, as applicable. The failure to tender Bonds on any such date is the equivalent of a tender, and such Bonds shall be converted to Undelivered Bonds and replacement Bonds shall be executed, authenticated and delivered in the place of such Undelivered Bonds as provided in Section 208 and such replacement Bonds may be offered and sold by the Remarketing Agent in accordance with this Indenture and the Remarketing Agreement, subject to the provisions of Section 302(h) and Section 310, as applicable.

(b) On Alternate Credit Facility Date. All Bonds are required to be tendered to the Tender Agent for purchase on an Alternate Credit Facility Date. Any Bondowner required to tender Bonds under this subsection shall tender its Bonds to the Tender Agent for purchase at its Payment Office prior to 10:30 a.m., New York Time, on the Alternate Credit Facility Date. The failure to tender Bonds on any such date is the equivalent of a tender and such Bonds shall be converted to Undelivered Bonds and replacement Bonds shall be executed, authenticated and delivered in the place of such Undelivered Bonds as provided in Section 208 and such replacement Bonds may be offered and sold by the Remarketing Agent in accordance with this Indenture and the Remarketing Agreement.

(c) On Rate Adjustment Date During Semiannual Mode, Annual Mode and Multiyear Mode. While the Bonds are in a Semiannual Mode, Annual Mode or Multiyear Mode, all Bonds are required to be tendered to the Tender Agent for purchase on each Rate Adjustment Date. Any Bondowner required to tender Bonds under this subsection (c) shall tender Bonds to the Tender Agent for purchase at its Payment Office prior to 10:30 a.m., New York Time, on the Rate Adjustment Date. The failure to tender its Bonds on any such date is the equivalent of a tender and such Bonds shall be converted to Undelivered Bonds and replacement Bonds shall be executed, authenticated and delivered in the place of such Undelivered Bonds as provided in Section 208 and such replacement Bonds may be offered and sold by the Remarketing Agent in accordance with this Indenture and the Remarketing Agreement.

(d) Mandatory Tender in Lieu of Acceleration on Default. All Bonds are subject to mandatory tender for purchase on the Mandatory Purchase Date from the Bondowners by the Trustee for the account of the Credit Facility Provider, as set forth in Section 802(f) in lieu of acceleration of the Bonds as set forth in Section 802(a) or (b), upon the occurrence of an Event of Default under Section 801(d)(ii). Upon receipt of notice from the Credit Facility Provider directing the Trustee to purchase the Bonds and the establishment of the Mandatory Purchase Date by the Trustee, which shall be a Business Day which is at least three and no more than five calendar days after the receipt by the Trustee of such notice, the Trustee shall immediately request a payment under the Credit Facility pursuant to Section 505 in the amount required by Section 802(f) to be received no later than 3:30 p.m., New York Time, on the Mandatory Purchase Date, and shall also send notice to the Bondowners of the mandatory purchase. On the Mandatory Purchase Date, the Tender Agent shall pay to the Bondowners the purchase price for the Bonds, which shall be an amount equal to 100% of the principal amount of any Bond tendered or deemed tendered plus accrued and unpaid interest thereon to the Mandatory Purchase Date. Any Bondowner required to tender Bonds under this subsection (d) shall tender its Bonds to the Tender Agent for purchase at its Payment Office prior to 10:30 o'clock a.m., New York Time, on the Mandatory Purchase Date. The failure to tender Bonds on any such date is the equivalent of a tender and such Bonds shall be converted to Undelivered Bonds and replacement Bonds shall be executed, authenticated and delivered in the place of such Undelivered Bonds as provided in Section 208.

(e) Upon Determination of Taxability. The Bonds are subject to mandatory tender on the earliest practicable date for which notice can be given, if a Determination of Taxability occurs. Any Bondowner required to tender Bonds under this subsection shall tender its Bonds to the Tender Agent for purchase at its Payment Office prior to 10:30 a.m., New York Time, on the date established by the Trustee

in the notice of mandatory tender. The failure to tender Bonds on any such date is the equivalent of a tender, and such Bonds shall be converted to Undelivered Bonds and replacement Bonds shall be executed, authenticated and delivered in the place of such Undelivered Bonds as provided in Section 208 and such replacement Bonds may be offered and sold by the Remarketing Agent in accordance with this Indenture and the Remarketing Agreement, subject to the provisions of Section 302(h) and Section 310, as applicable.

(f) Notice of Mandatory Tender. The Trustee shall give notice to Bondowners of the mandatory tender for purchase of Bonds not less than 20 or more than 30 calendar days prior to the mandatory Tender Date (not less than three days or more than 5 calendar days for mandatory tender under subsection (d)).

(g) Failure to Give Notice. Failure by the Trustee to give any notice as provided in subsection (f), any defect therein or any failure by any Bondowner to receive any such notice shall not in any way change such Owner's obligation to tender the Bonds for purchase on any mandatory Tender Date.

(h) No Remarketing. No Bond purchased on the Termination Date pursuant to Section 302(a) shall be remarketed on any date prior to the Alternate Credit Facility Date. No Bond purchased on the Mandatory Purchase Date pursuant to Section 302(d) shall be remarketed until the Credit Facility Provider has given written notice to the Trustee of the written rescission of the notice from the Credit Facility Provider under Section 801(d)(ii). During any period that the Credit Facility is not in effect, no transfer, remarketing or re-delivery of the Bonds shall be made unless the Bonds are transferred in whole and the proposed transferee has executed and delivered an Investor Letter to the Issuer and the Trustee. The transfer, remarketing and re-delivery of Bonds on and after the Alternate Credit Facility Date shall be in compliance with the provisions of Section 211.

Section 303. Irrevocability of Elections; Return of Improperly Completed Documents. The Tender Agent, to whom a Notice of Election to Tender Bonds has been delivered, shall determine whether such Notice has been properly completed and such determination shall be binding on the Owner of such Bond. Any election by a Bondowner to exercise the option to have its Bond or Bonds purchased shall be irrevocable upon delivery to the Tender Agent of the Notice of Notice of Election to Tender Bonds (together with, if required at the time of delivery of such notice, the Tendered Bonds). The Tender Agent shall promptly return any incomplete or improperly completed Notice of Election to Tender Bonds (together with, if required, the Tendered Bonds) to the Person or Persons submitting such documents.

Section 304. Notice of Principal Amount of Bonds Tendered. Promptly upon its receipt of any Notice of Election to Tender Bonds pursuant to Section 301, the Tender Agent shall (i) verify the information contained in such Notice against the Bondowner list provided to the Tender Agent by the Trustee, which list shall be delivered by the Trustee to the Tender Agent no later than the second Business Day prior to each Tender Date, (ii) verify that both the Tendered Bonds and the Bonds retained by the Owner are in Authorized Denominations, and (iii) give Immediate Notice to the Trustee, the Remarketing Agent, the Credit Facility Provider and the Borrower of its receipt of such Notice and specifying the total principal amount of Bonds to be tendered for purchase on the applicable Tender Date. The written portion of such Immediate Notice given by the Tender Agent shall include a copy of the Notice of Election to Tender Bonds.

Section 305. Remarketing of Tendered Bonds. Pursuant to the terms of this Indenture and the Remarketing Agreement, and upon receipt of notice from the Tender Agent, specifying the principal amount of Tendered Bonds, as provided in Section 304, the Remarketing Agent shall exercise its best efforts to sell all of such Tendered Bonds as provided in the Remarketing Agreement subject to the provisions of Section 211; provided, however, that the Remarketing Agent shall not remarket any Bonds at a price below par plus accrued interest thereon; provided further that the Remarketing Agent shall not remarket any Bonds

which have been selected for redemption by the Trustee pursuant to Section 403 and of which the Remarketing Agent has received notice from the Trustee pursuant to Section 403(a) unless the Remarketing Agent has given notice of such redemption to the proposed purchaser and such purchaser has acknowledged such redemption. The Remarketing Agent shall transfer, by electronic transfer of immediately available funds, an amount equal to the proceeds to be derived from such sale of Tendered Bonds to the Tender Agent at or before 9:30 a.m., New York Time, on the Tender Date; provided, however, that in no event shall the Remarketing Agent be obligated to transfer any funds to the Tender Agent in excess of Remarketing Proceeds that the Remarketing Agent has received from purchasers of Tendered Bonds. The Tender Agent shall provide Immediate Notice to the Trustee of any amount received by the Tender Agent from the Remarketing Agent. The Trustee shall transfer from the Purchase Fund from the proceeds received from the Credit Facility, by electronic transfer of immediately available funds to the Tender Agent at or before 4:00 p.m., New York Time, on the Tender Date, any additional amount needed by the Tender Agent to pay the full Tender Price on the Tender Date. The Trustee shall, on the Tender Date, remit to the Credit Facility Provider the remainder of the funds in the Purchase Fund (other than any funds being held for the benefit of former Owners of Undelivered Bonds) which were not transferred to the Tender Agent on such Tender Date including all investment earnings thereon as soon thereafter as available. The Tender Agent shall, on the Tender Date, remit to the Credit Facility Provider the amount (if any) by which the sum of the amounts transferred to the Tender Agent by the Remarketing Agent and the amounts transferred to the Tender Agent by the Trustee exceed the Tender Price of the Tendered Bonds to the extent such funds are owed to the Credit Facility Provider, as certified in writing by the Credit Facility Provider; provided that if no funds are owed to the Credit Facility Provider, such amount shall be remitted to the Borrower.

Section 306. Notice of Principal Amount of Bonds Remarketed.

(a) Prior to 10:00 a.m., New York Time, on the Tender Date, or such later time as shall be agreed to by the Tender Agent and the Credit Facility Provider, the Remarketing Agent shall give Immediate Notice to the Trustee, the Tender Agent, the Credit Facility Provider and the Borrower specifying the new interest rate, if any has then been determined, to become effective as of such Tender Date (if such Tender Date is a Rate Adjustment Date) and the aggregate principal amount of Tendered Bonds which (i) have been remarketed other than to the Issuer or the Borrower and the Tender Price therefor, (ii) have not been remarketed and the Tender Price therefor, (iii) have been remarketed to the Issuer or the Borrower, and (iv) the amount of money, if any, to be paid over to the Tender Agent by the Remarketing Agent on the Tender Date, which amount shall be equal to the proceeds of the sale of the Tendered Bonds so remarketed (other than the remarketing of Tendered Bonds to the Issuer or the Borrower). Proceeds of the sale of Tendered Bonds to the Issuer or the Borrower shall be deposited and applied in accordance with Section 502(d). Concurrently with the notice described in the second preceding sentence, the Remarketing Agent shall also give the Trustee (with a copy to the Tender Agent) instructions as to the registration and delivery, with such delivery to occur at the Payment Office of the Tender Agent to the Remarketing Agent of any Tendered Bonds for whose purchase the Remarketing Agent will make a deposit of funds with the Tender Agent on the Tender Date.

(b) At least 30 minutes prior to the time set forth in Exhibit B for the drawing on the Credit Facility under clause (4) or (5) with respect to a tender of Bonds, the Tender Agent shall give Immediate Notice to the Trustee, the Borrower and the Credit Facility Provider specifying the amount of proceeds from the remarketing of tendered Bonds on deposit with the Tender Agent. The Trustee shall make a demand for payment under the Credit Facility in accordance with Section 505(b) in an amount equal to the Tender Price of all Tendered Bonds less the proceeds of the remarketing of Tendered Bonds then on deposit with the Tender Agent (but excluding proceeds of a remarketing to the Issuer, the Borrower or a guarantor of the Borrower on deposit with the Tender Agent). If Exhibit B as then in effect requires that the Trustee make demand on the Credit Facility prior to 10:15 a.m., New York Time on the Tender Date in order to timely receive funds pursuant to Section 505(b), the Trustee will make demand on the Credit Facility as

required by Exhibit B in an amount equal to the Tender Price of the Tendered Bonds less Remarketing Proceeds then on deposit in the Purchase Fund. The Trustee shall cause the proceeds of the payment under the Credit Facility to be delivered to the Tender Agent for purchase of Tendered Bonds as described in Section 307.

Section 307. Purchase of Tendered Bonds.

(a) Tendered Bonds shall be purchased from the Owners thereof on the Tender Date at the Tender Price which shall be payable solely from the following sources in the order of priority listed:

(1) Remarketing Proceeds;

(2) proceeds of a payment under the Credit Facility to purchase the Tendered Bonds;

(3) Available Moneys from any other source; and

(4) moneys from any other source.

(b) On each Tender Date, all Bonds purchased with Remarketing Proceeds shall be delivered and registered as directed by the Remarketing Agent pursuant to Section 306(a).

(c) The Tender Agent shall pay the Tender Price for each Tendered Bond prior to the Tender Agent's close of business on the Tender Date only after receipt of such Bond, properly endorsed in blank, together with a signature guaranty. Payment of the Tender Price of any Bond tendered for purchase shall be made:

(1) by check or draft mailed to the Owner thereof at the Owner's address as it appears on the Bond Register or at such other address as is furnished to the Tender Agent in writing by such Owner; or

(2) in the case of the purchase from an Owner of $1,000,000 or more in aggregate principal amount of Bonds, by electronic transfer of immediately available federal funds to such Owner upon written notice from such Owner which written notice accompanies such Owner's Notice of Election to Tender Bonds.

The electronic transfer instructions must describe the name, address and ABA routing number of the bank (located in the continental United States) and the account name and number to which payment is to be credited and acknowledge an electronic transfer fee payable by the Owner.

(d) The Trustee shall take the following actions with respect to Tendered Bonds:

(1) with respect to Bonds which have been remarketed and for which the Tender Agent has received payment, on the written advice of the Remarketing Agent, authenticate those Bonds in the names of the purchasers thereof and in the appropriate denominations, and deliver said Bonds to the Remarketing Agent upon the Tender Agent's receipt of payment therefor;

(2) with respect to Tendered Bonds which have not been remarketed and which are to be purchased with the proceeds of a draw on the Credit Facility, register those Bonds as owned by the Borrower and pledged to the Credit Facility Provider pursuant to the Bond Pledge Agreement and hold such Bonds as agent and bailee for the Credit Facility Provider in accordance with the terms of the Bond Pledge Agreement; and

(3) with respect to all Bonds that have been physically tendered, cancel such certificates.

(e) Notwithstanding anything in this Indenture to the contrary, the Tender Agent shall pay the Tender Price with respect to an Undelivered Bond only upon the actual receipt of such Bond, and such Tender Price shall be equal to the principal amount of such Bond plus accrued interest to the Tender Date. An Undelivered Bond shall not be considered Outstanding pursuant to this Indenture and shall not be secured by the Credit Facility.

Section 308. Remarketing of Pledged Bonds. When a purchaser for Pledged Bonds is found, the Remarketing Agent will (a) give Immediate Notice prior to 10:00 a.m., New York Time, on the second Business Day next preceding the Placement Date, or such earlier or later time as shall be agreed to by the Credit Facility Provider, the Trustee and the Borrower, to the Credit Facility Provider, the Borrower and the Trustee specifying the principal amount of Pledged Bonds to be purchased, the purchase price thereof and the Placement Date on which such purchase is to occur and (b) instruct the purchasers thereof to deliver an amount (in immediately available funds) equal to the purchase price of such Pledged Bonds to the Tender Agent by 10:30 a.m., New York Time, on the Placement Date for the same day transfer to the Credit Facility Provider. No Pledged Bonds shall be released to new Owners unless the Trustee and the Tender Agent have received written notice from the Credit Facility Provider that the Credit Facility has been reinstated by an amount equal to the principal of and interest portion of such Pledged Bonds, such interest portion calculated at the Maximum Rate for 35 days as provided in the Credit Facility Agreement, and that the Credit Facility Provider has been reimbursed for the amount of the draw to purchase such Pledged Bonds from moneys from the Borrower or will be reimbursed for the amount of the draw to purchase such Pledged Bonds from Remarketing Proceeds. The Pledged Bonds shall be purchased subject to the provisions of Section 211, from the Borrower on the Placement Date at a purchase price equal to the principal amount thereof plus accrued interest thereon. In addition, until the Credit Facility Provider receives the purchase price therefor, Bonds shall not be delivered to the purchaser of Pledged Bonds and such Pledged Bonds to be so purchased shall remain Pledged Bonds.

Section 309. Purchase Fund.

(a) The Purchase Fund has not been pledged or assigned under this Indenture and is not subject to the lien created by this Indenture. Upon receipt by the Tender Agent of the proceeds of a remarketing of Tendered Bonds (other than Bonds remarketed to the Issuer or the Borrower, which will be transferred to the Trustee for deposit in a separate trust account in the Purchase Fund), the Tender Agent will deposit such funds in a segregated escrow account maintained by the Tender Agent and designated the "Undelivered Bond Account" which funds shall not be invested, and the Tender Agent shall not be liable to the Issuer or the Borrower for any interest thereon, and any moneys shall be held for the benefit of the owners of the Tendered Bonds and applied as provided herein. The Undelivered Bond Account shall constitute an Eligible Account. The Trustee will deposit moneys received from the Credit Facility Provider pursuant to a payment under the Credit Facility in accordance with Section 505(b)(4) or (5) in the Purchase Fund for application to the Tender Price of the Tendered Bonds. Upon receipt by the Trustee of the proceeds of the placement of Pledged Bonds on a Placement Date, the Trustee will deposit such moneys in the Purchase Fund for payment to the Credit Facility Provider to the extent such Pledged Bonds were purchased from moneys drawn from the Credit Facility and not reimbursed to the Credit Facility Provider by the Borrower and, thereafter, to the Borrower. Moneys from the remarketing of Tendered Bonds to the Issuer or the Borrower, shall be applied solely to the purchase price of Pledged Bonds. No payment under the Credit Facility shall be applied to the payment of any Pledged Bond. All moneys deposited in the Purchase Fund shall be held in trust by the Trustee for the equal benefit of the owners of the Tendered Bonds.

(b) On any Tender Date or Placement Date, the Trustee shall transfer on the Bond Register ownership of all of the Tendered Bonds to the names of the respective purchasers thereof. From and after such date, the principal of, and redemption premium, if any, and interest on such Bonds shall be payable solely to such purchasers, their transferees or the successors thereto, except as provided in the Bond Pledge Agreement with respect to Pledged Bonds. The Owners of Tendered Bonds immediately prior to a Tender Date with respect to which a Notice of Election to Tender Bonds has been given pursuant to Section 301 or required to be tendered on such date pursuant to Section 302 shall be entitled solely to payment of the Tender Price for such Bonds upon delivery thereof to the Tender Agent as herein provided and shall not be entitled to the payment of any principal, redemption premium, if any, or interest thereon thereafter.

Section 310. No Remarketing After Certain Defaults. Notwithstanding any provision of this Indenture to the contrary, there shall be no remarketing of Bonds pursuant to this Article III if there has occurred and is continuing an Event of Default described in Section 801. The Trustee shall give Immediate Notice to the Paying Agent, the Remarketing Agent, the Tender Agent, the Credit Facility Provider and the Borrower of (i) the occurrence and continuation of any Event of Default and that upon the occurrence, and during the continuation of, the Event of Default no remarketing of Bonds is permitted pursuant to this Article III and (ii) the curing of the Event of Default and that, as a result, remarketing of the Bonds is again permitted pursuant to this Article III.

Section 311. Remarketing Agent.

(a) The Borrower, with the prior written consent of the Credit Facility Provider, or, if an event of default under the Credit Facility Agreement exists, the Credit Facility Provider shall appoint the Remarketing Agent for the Bonds, subject to the conditions set forth in Section 312. The Remarketing Agent shall designate to the Trustee its principal office and signify its acceptance of the duties and obligations imposed upon it hereunder by a written instrument of acceptance or a remarketing agent agreement delivered to the Issuer and the Credit Facility Provider under which the Remarketing Agent will also agree to keep such books and records as shall be consistent with prudent industry practice and to make such books and records available for inspection by the Issuer, the Trustee, the Tender Agent, the Borrower and the Credit Facility Provider at all reasonable times. The Borrower and the Remarketing Agent shall enter into a Remarketing Agreement the terms of which shall be subject to the written approval of the Credit Facility Provider.

(b) Any corporation, association or other entity with or into which the Remarketing Agent may be merged or converted or with or into which it may be consolidated, or to which the Remarketing Agent may sell or transfer its assets as a whole or substantially as a whole, or any corporation or association resulting from any merger, conversion, sale, consolidation or transfer to which it is a party, shall be and become successor Remarketing Agent and shall be vested with all the powers, rights, obligations and duties under this Indenture as was its predecessor, without the execution or filing of any instrument or any further act on the part of the predecessor or successor Remarketing Agent, the Issuer, the Trustee or the Borrower.

Section 312. Qualifications of Remarketing Agent.

(a) The Remarketing Agent shall be a member of the National Association of Securities Dealers, Inc. or a national banking association, shall meet such capitalization or credit requirements as are acceptable to the Rating Agency (if the Bonds are then rated) and the Credit Facility Provider, and shall be authorized by law to perform all the duties imposed upon it by this Indenture. The Remarketing Agent may at any time resign and be discharged of the duties and obligations created by this Indenture by giving at least 30 days' written notice to the Issuer, the Borrower, the Tender Agent, the Trustee and the Credit Facility Provider. The Remarketing Agent may be removed at any time, without cause, upon at least 30 days' written notice to the Remarketing Agent, at the direction of the Borrower by an instrument signed by

the Authorized Borrower Representative, with the written consent of the Credit Facility Provider, or at the direction of the Credit Facility Provider if an event of default under the Credit Facility Agreement exists, filed with the Trustee, the Credit Facility Provider, the Borrower, the Tender Agent, the Issuer and the Remarketing Agent.

(b) If the Remarketing Agent resigns or is removed, the Remarketing Agent shall pay over, assign and deliver any moneys and Bonds held by it in such capacity to its successor. If the Borrower fails to appoint a replacement Remarketing Agent, the Credit Facility Provider may do so. Notwithstanding the foregoing, no resignation or removal of the Remarketing Agent shall be effective until a replacement Remarketing Agent has been appointed and accepted in writing the obligations of the Remarketing Agent under this Indenture.

Section 313. Book-Entry System Procedures Control. Notwithstanding any provision of this Article to the contrary, if the book-entry system under Section 210 is in effect, the procedures of the Securities Depository are controlling over any conflicting provision of this Article.

ARTICLE IV

REDEMPTION OF BONDS

Section 401. Optional Redemption.

(a) Optional Redemption of Bonds Not in Multiyear Mode. Bonds (other than Bonds in a Multiyear Mode) are subject to redemption and payment prior to maturity, at the option of and upon written instructions from the Borrower with the prior written consent of the Credit Facility Provider, in whole on any date or in part on any Interest Payment Date in Authorized Denominations, at the principal amount thereof, without premium, plus accrued interest to the redemption date, from proceeds of a payment under the Credit Facility.

(b) Optional Redemption of Bonds in Multiyear Mode. The Bonds in a Multiyear Mode are subject to redemption and payment prior to maturity, at the option of and upon written instructions from the Borrower with the prior written consent of the Credit Facility Provider, in whole on any date or in part on any Interest Payment Date in Authorized Denominations, at the redemption prices (expressed as percentages of the principal amount) set forth below, plus accrued interest to the redemption date, from proceeds of a payment under the Credit Facility (except with respect to premium, if any), as follows:

OPTIONAL REDEMPTION IN MULTIYEAR MODE

Length of Multiyear Mode (In Years)*	Redemption Prices as a Percentage of Principal Amounts	Call Protection Period*
Greater than 10	102% after 7 years declining 1% per 12 months to 100%	7 years
Less than or equal to 10 and greater than 7	102% after 4 years declining 1% per 12 months to 100%	4 years
Less than or equal to 7 and greater than 5	102% after 3 years declining 1% per 12 months to 100%	3 years
Less than or equal to 5 and greater than 2	101% after 2 years declining ½% per 6 months to 100%	2 years
Less than or equal to 2 and greater than 1	100½% after 1 year declining ½% per 6 months to 100%	1 year

*Measured from and including the first day of such Rate Period

(c) Any provision in this Indenture to the contrary notwithstanding, the notice of redemption pursuant to this Section 401 shall state that it is conditioned upon receipt by the Trustee of sufficient Available Moneys to redeem the Bonds, and such notice and optional redemption shall be of no effect if either (i) by no later than the scheduled redemption date, sufficient Available Moneys to redeem the Bonds are not on deposit with and available to the Trustee, or (ii) the Credit Facility Provider rescinds the redemption notice on or prior to the scheduled redemption date.

Section 402. Extraordinary Optional Redemption. in Event of Condemnation, Deficiency of Title, Fire or Other Casualty. The Bonds are subject to redemption, at the option of and upon written instructions from the Borrower with the prior written consent of the Credit Facility Provider, in whole or in part, on the earliest practicable date for which notice can be given, upon the occurrence of a condemnation, loss of title or casualty loss to the Project, from the proceeds of a payment under the Credit Facility, at the principal amount thereof, without premium, plus accrued interest to the redemption date.

Section 403. Selection of Bonds to be Redeemed.

(a) When less than all of the Outstanding Bonds are to be redeemed and paid prior to maturity pursuant to Section 401 or 402, the Bonds or portions of the Bonds to be redeemed shall be selected by the Trustee in such equitable manner as it may determine, in integral multiples of $5,000, subject to subsection (c); provided that Bonds shall be redeemed in the following order of priority: (1) Pledged Bonds; (2) Tendered Bonds; and (3) any other Bonds. The Trustee shall give written notice to the Remarketing Agent of the Bonds so selected for redemption. For purposes of this paragraph, in connection with the payment of Pledged Bonds, the Trustee is deemed to know the principal amount of Pledged Bonds only if the Trustee has received written notice to that effect.

(b) In the case of a partial redemption of Bonds when Bonds of denominations greater than the minimum Authorized Denomination are then Outstanding, then for all purposes in connection with such redemption each unit of $5,000 in excess of the Authorized Denomination shall be treated as though it was a separate Bond of $5,000. If one or more, but not all, of the $5,000 units of principal amount in excess of the minimum Authorized Denomination represented by any Bond are selected for redemption, then upon notice of intention to redeem such unit or units, the Owner of such Bond or such Owner's attorney or legal representative shall forthwith present and surrender such Bond to the Trustee (i) for payment of the

redemption price (including the redemption premium, if any, and interest to the date fixed for redemption) of the unit or units of principal amount called for redemption, and (ii) for exchange, without charge to the Owner thereof, for a new Bond or Bonds of the aggregate principal amount of the unredeemed portion of the principal amount of such Bond. If the Owner of any such Bond of a denomination greater than the minimum Authorized Denomination shall fail to present such Bond to the Trustee for payment and exchange as aforesaid, said Bond shall, nevertheless, become due and payable on the redemption date to the extent of the unit or units of principal amount called for redemption and shall cease to accrue interest on such amount.

(c) No Bond may be redeemed in part if the principal amount thereof to remain Outstanding following such partial redemption is not an Authorized Denomination.

Section 404. Notice of Redemption of Bonds in Weekly Mode or Monthly Mode. Subject to Section 401(c), unless waived by any Owner of Bonds to be redeemed, notice of the call of Bonds in the Weekly Mode or the Monthly Mode for any redemption identifying the Bonds or portions thereof to be redeemed shall be given by the Trustee, in the name of the Issuer, to the Remarketing Agent, the Credit Facility Provider, the Borrower and the Owner of each Bond to be redeemed at the address shown on the Bond Register by mailing a copy of the redemption notice by first-class mail, postage prepaid, at least 15 days and not more than 30 days prior to the redemption date; provided, however, that failure to give such notice by mailing as aforesaid to any Bondowner or any defect therein as to any particular Bond shall not affect the validity of any proceedings for the redemption of any Bonds. As provided in Section 405, any notice of redemption shall state the date and place of redemption (and in the case of the redemption of a portion of any Bond, the numbers of the Bonds or portions of Bonds to be redeemed and the principal amount thereof being redeemed), the redemption prices and that interest will cease to accrue from and after the redemption date. The Trustee shall not give the notice described above with respect to redemption of the Bonds pursuant to Section 401(a) without the prior written consent of the Credit Facility Provider.

Section 405. Notice of Redemption of Bonds in Semiannual Mode, Annual Mode or Multiyear Mode.

(a) Subject to Section 401(c), unless waived by any Owner of Bonds to be redeemed, official notice of any redemption of Bonds in a Semiannual Mode, Annual Mode or Multiyear Mode shall be given by the Trustee on behalf of the Issuer by mailing a copy of an official redemption notice by first class mail, postage prepaid, at least 30 days and not more than 45 days prior to the redemption date to the Remarketing Agent, the Credit Facility Provider, the Borrower and the Owner of the Bond or Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such Owner to the Trustee. The Trustee shall not give the notice described above with respect to redemption of the Bonds pursuant to Section 401(a) or (b) without the prior written consent of the Credit Facility Provider.

(b) All official notices of redemption pursuant to this Section and Section 404 shall be dated and shall state:

(1) the redemption date,

(2) the redemption price,

(3) if less than all Outstanding Bonds are to be redeemed, the identification, number, maturity date and, in the case of the partial redemption of any Bond, the respective principal amounts of the Bonds to be redeemed,

(4) that on the redemption date the redemption price will become due and payable upon each such Bond or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date, and

(5) the place where such Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the Payment Office of the Trustee.

(c) In addition to the foregoing notice, further notice pursuant to this Section and Section 404 shall be given by the Trustee on behalf of the Issuer as set out below, but no defect in said further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as above prescribed.

(1) Each further notice of redemption given hereunder shall contain the information required above for an official notice of redemption plus (i) the CUSIP numbers of all Bonds being redeemed (provided, however, that the notice may contain a disclaimer as to the accuracy of the CUSIP numbers); (ii) the date of issue of the Bonds as originally issued; (iii) the rate of interest borne by each Bond being redeemed (if the Bonds are in a Multiyear Mode); (iv) the maturity date of each Bond being redeemed; and (v) any other descriptive information needed to identify accurately the Bonds being redeemed.

(2) Each further notice of redemption shall be sent at least 35 days (25 days for notice under Section 404) before the redemption date by registered or certified mail or overnight delivery service to The Depository Trust Company and by facsimile two days before the mailing of the redemption notice described in subsection (a) to one or more national information services that disseminate notices of redemption of obligations such as the Bonds or, in accordance with the then current guidelines of the Securities and Exchange Commission, to such other addresses and such other securities depositories or any such other securities depositories or any such depositories as may be designated in writing to the Trustee by the Borrower.

(d) The failure of any Bondowner to receive notice given as provided in this Section, or any defect in the notice, will not affect the validity of any proceedings for the redemption of any Bonds. Any notice mailed as provided in this Section will be conclusively presumed to have been duly given and become effective upon mailing, whether or not any Bondowner receives the notice.

(e) With respect to all Bonds redeemed pursuant to this Indenture, upon the payment of the redemption price of Bonds being redeemed, each check issued for such purpose shall bear or be accompanied by the CUSIP number identifying, by issue and maturity, the Bonds being redeemed with the proceeds of such check or, if payment is by electronic transfer of immediately available federal funds, the Trustee shall use its best efforts to include on such electronic transfer the CUSIP number identifying, by issue and maturity, the Bonds being redeemed with the proceeds of the electronic transfer.

Section 406. Effect of Call for Redemption. On or prior to the date fixed for redemption, Available Moneys available solely for such redemption in accordance with the requirements of Sections 401 and 402 shall be deposited with the Trustee to pay the principal of the Bonds called for redemption, accrued interest thereon to the redemption date, if any, and the redemption premium, if any, thereon. Upon the happening of the above conditions, and notice having been given as provided in Section 404 or 405, as applicable, the Bonds or the portions of the principal amount of Bonds thus called for redemption shall cease to bear interest on the specified redemption date, provided moneys (which must be Available Moneys when required by Section 401 or 402) sufficient for the payment of the redemption price of the Bonds called for redemption are on deposit at the place of payment at the time fixed for such redemption, and shall no

longer be entitled to the protection, benefit or security of this Indenture and shall not be deemed to be Outstanding under the provisions of this Indenture.

Section 407. Purchase of Bonds in Lieu of Redemption.

(a) Notwithstanding anything in this Indenture to the contrary, at any time the Bonds are subject to redemption pursuant to the provisions of this Indenture all of the Bonds to be redeemed may be purchased by the Trustee (for the account of the Borrower or the Credit Facility Provider or their respective designee, as directed by such party), on the date which would be the redemption date, at the direction of the Credit Facility Provider or the Borrower (except in the case of a redemption resulting from the occurrence of an Event of Default under this Indenture or under the Credit Facility Agreement, in which case only at the direction of the Credit Facility Provider or at the direction of the Borrower with the written consent of the Credit Facility Provider) upon at least one Business Day's notice prior to the redemption date, at a purchase price equal to the redemption price which would have been applicable to the Bonds on the redemption date. The Bonds will be purchased in lieu of redemption only from Available Moneys.

(b) If the Trustee does not have on deposit Available Moneys by the time by which the Trustee is to request payment on the Credit Facility in accordance with Exhibit B and Section 505, the Trustee will request payment on the Credit Facility in accordance with Exhibit B and Section 505(b)(6).

(c) If the Trustee is so directed to purchase Bonds in lieu of redemption, no notice to the Owners of the Bonds to be purchased (other than the notice of redemption otherwise required under this Indenture) is required. The Trustee is authorized to apply to the purchase of Bonds the funds in the Redemption Account that would have been used to pay the redemption price for the Bonds if the Bonds had been redeemed rather than purchased. Bonds purchased for the account of the Borrower will constitute Pledged Bonds.

(d) Bonds purchased pursuant to this Section and purchased on a Mandatory Purchase Date pursuant to Section 302(d) may thereafter be transferred, remarketed or re-delivered only in whole to a transferee who has executed and delivered an Investor Letter to the Issuer and the Trustee. The limitation of the preceding sentence is not applicable if the Trustee and the Tender Agent have received written notice from the Credit Facility Provider that the Credit Facility has been reinstated in full and that the Credit Facility Provider has been reimbursed for the amount of the draw to purchase such Bonds from moneys from the Borrower or will be reimbursed for the amount of the draw to purchase such Bonds from proceeds of the remarketing of the purchased Bonds.

ARTICLE V

REVENUES AND FUNDS

Section 501. Creation of Funds and Accounts.

(a) The following Funds and Accounts of the Issuer are hereby established with the Trustee:

(1) the Revenue Fund, consisting of the Unavailable Moneys Account, the Available Moneys Account and the Credit Facility Account;

(2) the Debt Service Fund, consisting of the Interest Account, the Principal Account and the Redemption Account;

(3) the Purchase Fund;

(4) the Rebate Fund; and

(5) the Principal Reserve Fund.

(b) Each Fund and Account shall be maintained by the Trustee as a separate and distinct trust fund or account to be held, managed, invested, disbursed and administered as provided in this Indenture. Each such Fund or Account shall be an Eligible Account. All moneys deposited in the Funds and Accounts shall be used solely for the purposes set forth in this Indenture. The Trustee shall keep and maintain adequate records pertaining to each Fund and Account and all disbursements therefrom.

(c) The Credit Facility Account, the Debt Service Fund and the Purchase Fund shall each constitute an Eligible Account.

Section 502. Revenue Fund.

(a) The Trustee will deposit into the Revenue Fund all Revenues (except as otherwise provided in Section 506) and any other amounts received by the Trustee which are subject to the lien and pledge of this Indenture, to the extent not required to be deposited in other Funds and Accounts in accordance with the terms of this Indenture. The Trustee shall apply moneys from the Revenue Fund, first from moneys on deposit in the Credit Facility Account which represent payments received with respect to the Credit Facility, second, from moneys in the Available Moneys Account, and third, from investment earnings on Funds and Accounts (to the extent such moneys constitute Available Moneys), on each Interest Payment Date and Principal Payment Date on the Bonds, for application in the order of priority and for the purposes as follows:

(1) First, to the Interest Account of the Debt Service Fund, an amount sufficient to pay the interest becoming due and payable on the Bonds on such date;

(2) Second, to the Principal Account of the Debt Service Fund, an amount sufficient to pay the principal of the Bonds maturing on such date, if any; and

(3) Third, to the Redemption Account of the Debt Service Fund, an amount sufficient to pay the principal of and redemption premium, if any, on the Bonds subject to redemption on such date, if any.

(b) Moneys in the Credit Facility Account remaining after the transfers made pursuant to subsection (a) shall be returned to the Credit Facility Provider as a reimbursement to the Borrower's account on the amounts paid under the Credit Facility.

(c) The Trustee will deposit into the Unavailable Moneys Account other amounts received from the Borrower pursuant to the Credit Facility Agreement, principal, interest and premium payments made by the Borrower pursuant to Section 3.4(a) of the Financing Agreement. Upon the Credit Facility Provider's payment to the Trustee under the Credit Facility pursuant to a request under Section 505(b)(1), (2) or (3), the Trustee shall transfer from the Unavailable Moneys Account to the Credit Facility Provider the amount of interest on the Bonds paid under the Credit Facility plus any additional amount as the Trustee is directed in writing by the Credit Facility Provider, up to the amount of the payment made under the Credit Facility, as a reimbursement to the Credit Facility Provider of the payment made under the Credit Facility. In the event of an Event of Default described in Section 801, any moneys on deposit in the Unavailable Moneys Account that become Available Moneys shall be transferred to the Available Moneys Account and applied in accordance with this Indenture.

(d) The Trustee will also deposit into the Unavailable Moneys Account moneys received from the Borrower to be applied to the purchase of Bonds pursuant to Section 307 or the redemption of Bonds pursuant to Sections 401 or 402. When moneys deposited pursuant to the preceding sentence become Available Moneys, such Available Moneys shall be transferred to the Available Moneys Account. Any moneys remaining in the Unavailable Moneys Account following the redemption or purchase of Bonds with respect to which such deposit was made shall be applied first to pay the Credit Facility Provider any amounts due and payable under the Credit Facility Agreement as certified in writing by the Credit Facility Provider, second to pay the accrued and unpaid fees and expenses of the Issuer, the Trustee and the Tender Agent, and third to the Borrower.

(e) Available Moneys on deposit in the Available Moneys Account to be applied to the payment of the Bonds at maturity shall be transferred as provided in subsection (a). Available Moneys on deposit in the Available Moneys Account to be applied to the purchase of Bonds pursuant to Section 307 shall be transferred to the Purchase Fund on the Tender Date to the extent necessary to pay the Tender Price of the Bonds as the same shall become due and payable on such Tender Date. Any moneys remaining in the Available Moneys Account following the redemption or purchase of Bonds with respect to which such deposit was made shall first be applied to pay the Credit Facility Provider any amounts due and payable under the Credit Facility Agreement as certified in writing by the Credit Facility Provider, and then to pay the accrued and unpaid fees and expenses of the Issuer, the Trustee and the Tender Agent.

Section 503. Debt Service Fund.

(a) The Trustee will deposit into the Interest Account the amounts required by Section 502. Moneys on deposit in the Interest Account shall be applied solely to pay the interest on the Bonds as the same becomes due and payable. On each date fixed for redemption of the Bonds and on each scheduled Interest Payment Date on the Bonds, the Trustee shall remit to the respective Bondowners of such Bonds an amount from the Interest Account sufficient to pay the interest on the Bonds becoming due and payable on such date.

(b) The Trustee will deposit into the Principal Account the amounts required by Section 502. Moneys on deposit in the Principal Account shall be applied solely to pay the principal of the Bonds as the same becomes due and payable at maturity. On each Principal Payment Date of the Bonds, the Trustee shall set aside and hold in trust an amount from the Principal Account sufficient to pay the principal of the Bonds becoming due and payable on such date.

(c) The Trustee will deposit into the Redemption Account the amounts required by Section 502. Moneys on deposit in the Redemption Account shall be applied solely to pay the principal and premium, if any, on the Bonds as the same become due and payable by redemption. On each date fixed for such redemption, the Trustee shall set aside and hold in trust an amount from the Redemption Account sufficient to pay the principal of and premium, if any, on the Bonds becoming due and payable on such date.

(d) The principal of and premium, if any, and interest on the Bonds shall be paid solely from the following sources in the order of priority listed:

(1) proceeds of a payment under the Credit Facility (except for premium, if any);

(2) Available Moneys from any other source; and

(3) moneys from any other source.

Section 504. Principal Reserve Fund.

(a) The Trustee will deposit the Principal Reserve Payments into the Principal Reserve Fund promptly upon receipt from the Borrower. Any interest earned on or profits realized from amounts on deposit in the Principal Reserve Fund shall be deposited into the Principal Reserve Fund and, provided that the Trustee has not received notice from the Credit Facility Provider of a deficiency in the Principal Reserve Fund, and the Trustee has not received written notice that a default exists under any of the Bond Documents, shall be paid to the Borrower on the Interest Payment Date next succeeding receipt of such interest or profits by the Trustee. In addition, Remarketing Proceeds relating to Pledged Bonds shall be deposited into the Principal Reserve Fund, to be applied to reimburse the Credit Facility Provider in an amount equal to the amount of any advance paid by the Credit Facility Provider to the Trustee to purchase the Bonds that became the remarketed Pledged Bonds.

(b) At the written direction of the Credit Facility Provider, amounts on deposit in the Principal Reserve Fund shall be used by the Trustee to pay any amounts required to be paid by the Borrower under any Bond Document, to pay any amounts owed to the Credit Facility Provider in connection with any loan made or purchased by the Credit Facility Provider and secured by the Project, or to pay any other amount agreed to in writing by the Borrower and the Credit Facility Provider; provided that the amounts on deposit in the Principal Reserve Fund shall, upon the occurrence of an event of default under any Bond Document, be used in any manner and for any purpose specified in writing by the Credit Facility Provider.

(c) Upon the Credit Facility Provider's payment to the Trustee under the Credit Facility pursuant to a request under Section 505(b)(1), (2) or (3), the Trustee, at the written request of the Credit Facility Provider, shall transfer from the Principal Reserve Fund to the Credit Facility Provider the amount of interest on the Bonds paid under the Credit Facility plus any additional amount as the Trustee is directed in writing by the Credit Facility Provider, up to the amount of the payment made under the Credit Facility, as a reimbursement to the Credit Facility Provider of the payment made under the Credit Facility.

(d) At the request of the Borrower, the Credit Facility Provider, in its sole and absolute discretion, may (i) consent to the release of all or a portion of the amounts on deposit in the Principal Reserve Fund to the Borrower (in which case the Trustee shall release such amounts to the Borrower, provided that if, in the judgment of the Rebate Analyst (as defined in the Tax Agreement), the amount on deposit in the Rebate Fund at such time is less than the amount of arbitrage rebate required under Section 506 to be paid to the United States of America, then prior to any such release to the Borrower, any amounts on deposit in the Principal Reserve Fund (up to the amount of such deficiency) shall be transferred to the Rebate Fund), or (ii) reduce or no longer require deposits to the Principal Reserve Fund.

(e) Any amounts remaining in the Principal Reserve Fund after payment in full of the principal of and interest on the Bonds shall be applied as provided in Section 507.

Section 505. Payments Under Credit Facility.

(a) The Trustee shall hold the Credit Facility. Payments under the Credit Facility shall be made or requested in accordance with its terms consistent with the provisions of this Indenture and the Financing Agreement. Payments under the Credit Facility (other than pursuant to subparagraphs (b)(4), (5) and (6), which payments will be deposited into the Purchase Fund) shall be deposited in the Credit Facility Account of the Revenue Fund and applied by the Trustee in accordance with Section 502. No amounts other than payments under the Credit Facility shall be deposited in the Credit Facility Account of the Revenue Fund.

(b) The Trustee shall request payments under the Credit Facility, in accordance with the terms thereof and as further provided in the draw procedures set forth in Exhibit B or any substitute therefor as provided in subsection (e), in the amounts and at such time as may be necessary to make timely payments of the principal of and interest, but not premium, on the Bonds required to be made from the Debt Service Fund. If the amount of interest is not determinable at the time of presentation of a request to the Credit Facility Provider, the Trustee shall calculate such interest at the Maximum Rate. In accordance with the preceding sentences, the Trustee shall request payments under the Credit Facility by presenting a conforming request to the Credit Facility Provider (to the extent, if any, required by the terms of the Credit Facility) prior to the applicable Interest Payment Date, Principal Payment Date or redemption or purchase date referenced in subparagraphs (1), (2), (3) and (6), and on or prior to the applicable Tender Date referenced in subparagraphs (4) and (5), in order for moneys to be received in the amounts and at the times as follows:

(1) no later than 3:30 p.m., New York Time, on each Interest Payment Date, an amount equal to interest due on the Bonds on such Interest Payment Date;

(2) no later than 3:30 p.m., New York Time, on each Principal Payment Date on which Bonds mature, an amount equal to the full principal amount of the Bonds coming due on such Principal Payment Date;

(3) no later than 3:30 p.m., New York Time, on each Principal Payment Date on which the Bonds are being redeemed pursuant to Sections 401 and 402, in an amount which will be equal to the full principal amount plus accrued interest on the Bonds to be redeemed (other than the amount owing as a redemption premium, if any);

(4) no later than 3:30 p.m., New York Time, on the Tender Date for any Bonds in accordance with Section 301, in an amount which, when added to Remarketing Proceeds on deposit with the Tender Agent, is equal to the Tender Price of Bonds for which Notices of Election to Tender Bonds have been timely received;

(5) no later than 3:30 p.m., New York Time, on the Tender Date for any Bonds in accordance with Section 302, in an amount which, when added to Remarketing Proceeds on deposit with the Tender Agent, is equal to the Tender Price of all of the Bonds required to be tendered on the Tender Date pursuant to Section 302; and

(6) no later than 3:30 p.m., New York Time, on each date fixed for the purchase of Bonds in lieu of redemption pursuant to Section 407, in an amount which will be equal to the full principal amount plus accrued interest on the Bonds to be purchased in lieu of redemption (other than the amount owing as a redemption premium, if any).

Notwithstanding the provisions of this subsection, the Trustee shall promptly demand payment under the Credit Facility pursuant to Section 802(a) or (b) upon any acceleration of the maturity of the Bonds, or upon any direction by the Credit Facility Provider to the Trustee to purchase the Bonds for the Credit Facility Provider's own account in accordance with Section 802(f).

(c) No payments shall be made under the Credit Facility for the payment of the principal of and interest on the Borrower Bonds.

(d) The Borrower shall be permitted to provide the Trustee with an Alternate Credit Facility in accordance with the requirements of Section 706 of this Indenture and Section 3.7 of the Financing Agreement. Prior to the delivery of an Alternate Credit Facility, the Trustee shall receive from Bond

Counsel a revised Exhibit B reflecting the draw procedures applicable to the Alternate Credit Facility, in form satisfactory to the Trustee and approved in writing by the Credit Facility Provider (which is the provider of the Alternate Credit Facility) and the Rating Agency (if the Bonds are to be rated by the Rating Agency on the Alternate Credit Facility Date, which approval may be evidenced by the credit rating with respect to the Bonds as of the Alternate Credit Facility Date). The revised Exhibit B shall not constitute an amendment, supplement or modification to this Indenture for the purposes of Article X. The revised Exhibit B shall be binding upon the Trustee and the Credit Facility Provider (which is the provider of the Alternate Credit Facility) from and after the Alternate Credit Facility Date.

(e) Demand for payment of the Tender Price of Tendered Bonds on an Alternate Credit Facility Date shall be made on the Credit Facility then in effect, not the Alternate Credit Facility that is to be effective as of the Alternate Credit Facility Date. The Trustee will promptly surrender the Credit Facility being replaced only after receipt of the payment under the Credit Facility on the Alternate Credit Facility Date and the satisfaction of the requirements of Section 706.

Section 506. Deposits into and Application of Moneys in the Rebate Fund.

(a) There shall be deposited in the Rebate Fund such amounts as are required to be deposited therein pursuant to the Tax Agreement. Subject to the payment provisions provided in subsection (b), all amounts on deposit at any time in the Rebate Fund shall be held by the Trustee in trust, to the extent required to pay arbitrage rebate to the United States of America, and neither the Borrower, the Issuer, the Credit Facility Provider nor the Owner of any Bonds shall have any rights in or claim to such money. All amounts held in the Rebate Fund shall be governed by this Section and by the Tax Agreement (which is incorporated herein by reference). The Issuer, the Credit Facility Provider and the Trustee shall be entitled to rely on the rebate calculations obtained by the Borrower pursuant to the Tax Agreement and none of the Issuer, the Credit Facility Provider or the Trustee shall be responsible for any loss or damage resulting from any good faith action taken or omitted to be taken by the Issuer or the Trustee in reliance upon such calculations.

(b) Pursuant to the Tax Agreement, the Trustee shall remit all rebate installments and a final rebate payment to the United States of America. The Trustee shall have no obligation to pay any amounts required to be rebated pursuant to this Section and the Tax Agreement, other than from moneys held in the Funds and Accounts created under this Indenture or from other moneys provided to it by the Borrower or, at the discretion of the Credit Facility Provider, by the Credit Facility Provider. Any moneys remaining in the Rebate Fund after redemption and payment of all of the Bonds, payment of the fees and expenses of the Trustee and the Tender Agent and payment and satisfaction of any arbitrage rebate shall be withdrawn and paid first, to the Credit Facility Provider to the extent of any amounts remaining unpaid under any of the Credit Documents as evidenced by a written certificate of the Credit Facility Provider, and, second, to the Borrower.

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

(d) The Trustee shall provide written notice to the Credit Facility Provider if the Trustee has actual knowledge that the Borrower has failed to comply with the provisions of this Section.

Section 507. Final Balances. Upon the deposit with the Trustee of moneys sufficient to pay all principal of, and premium, if any, and interest on the Bonds, and upon satisfaction of all claims against the Issuer hereunder, including all fees, charges and expenses of the Trustee, the Tender Agent, the Issuer, the Remarketing Agent and any Paying Agent which are properly due and payable hereunder, or upon the

making of adequate provisions for the payment of such amounts as permitted hereby, all moneys remaining in all Funds and Accounts, except moneys necessary to pay principal of, and premium, if any, and interest on the Bonds, which moneys shall be held by the Trustee and, after one year, paid to the Credit Facility Provider or the Borrower, as appropriate, pursuant to Section 508, and except moneys, if any, set aside pursuant to Section 506, shall be remitted first, to the Credit Facility Provider to the extent of any amounts remaining unpaid under any of the Credit Documents as evidenced by a written certificate of the Credit Facility Provider, and, second, to the Borrower.

Section 508. Non-Presentment of Bonds.

(a) If any Bond is not presented for payment when the principal thereof becomes due, either (i) at maturity or at the date fixed for redemption thereof, or (ii) on the Tender Date therefor, if moneys sufficient to pay such Bond shall have been deposited in the Debt Service Fund or, with respect to Bonds becoming due pursuant to clause (ii), the Purchase Fund or the Undelivered Bond Account held by the Tender Agent in accordance with Section 309, all liability of the Issuer to the holder thereof for the payment of such Bond shall forthwith cease, terminate and be completely discharged, and thereupon it shall be the duty of the Trustee or the Tender Agent as applicable to hold such moneys, without liability for interest thereon, for the benefit of the holder of such Bond who shall thereafter be restricted exclusively to such moneys, for any claim of whatever nature of such holder under this Indenture or on, or with respect to, said Bond.

(b) Any moneys so deposited with and held by the Trustee not so applied to the payment of Bonds within one year after the date on which the same shall have become due shall be paid, without liability for interest, by the Trustee or the Tender Agent first, to the Credit Facility Provider to the extent of any amounts remaining unpaid under any of the Credit Documents as evidenced by a written certificate of the Credit Facility Provider, and second, to the Borrower, free from the trusts created by this Indenture. Thereafter, Bondowners shall be entitled to look only to the Borrower for payment, and then only to the extent of the amount so repaid to the Credit Facility Provider or the Borrower by the Trustee or the Tender Agent. The Borrower shall not be liable for any interest on the sums paid to it or the Credit Facility Provider pursuant to this Section and shall not be regarded as a trustee of such money.

ARTICLE VI

DEPOSITORIES OF MONEYS, SECURITY FOR DEPOSITS AND INVESTMENT OF FUNDS

Section 601. Moneys to be Held in Trust. All moneys deposited with or paid to the Trustee for the account of any Fund or Account under any provision of this Indenture, and all moneys deposited with or paid to any Paying Agent under any provision of this Indenture shall be held by the Trustee or Paying Agent in trust and shall be applied only in accordance with the provisions of this Indenture and, until used or applied as herein provided, shall constitute part of the Trust Estate (except for the Purchase Fund, the Rebate Fund and the arbitrage rebate not deposited therein) and be subject to the lien, terms and provisions hereof and shall not be commingled with any other funds of the Issuer, the Credit Facility Provider or the Borrower except as provided under Section 602 for investment purposes. Neither the Trustee nor any Paying Agent shall be under any liability for interest on any moneys received hereunder except as may be agreed upon.

Section 602. Investment of Moneys.

(a) Moneys in all Funds and Accounts (except the Purchase Fund and the Credit Facility Account that will remain uninvested) shall be continuously invested and reinvested by the Trustee at the written direction of the Borrower, with the written consent of the Credit Facility Provider. All moneys obtained through a payment under the Credit Facility will remain uninvested. Moneys on deposit in all Funds and Accounts may be invested only in Investment Securities; provided that:

(1) Available Moneys (other than payments under the Credit Facility) to be applied in accordance with Section 502(e) shall be invested and reinvested by the Trustee, at the written direction of the Borrower, with the written consent of the Credit Facility Provider, only in Government Securities maturing on the earlier of 30 days after the date on which such obligations are acquired or such time or times as said money shall be needed for the purposes for which they were deposited; and

(2) except as provided in (1) above, (i) amounts on deposit in the Debt Service Fund shall be invested only in, and (ii) if written investment directions have not been received from the Borrower, the Trustee shall invest amounts in any other Fund, only in Investment Securities as described in subsection (k) of the definition of Investment Securities.

The Trustee is specifically authorized to implement its automated cash investment system to assure that cash on hand is invested and to charge its normal cash management fees, which fees may be deducted from income earned on investments. Investment of the Funds and Accounts is subject to the provisions of the Tax Agreement.

(b) The Trustee must receive written directions of the Borrower to invest pursuant to this Section by 12:00 noon, New York Time. All such investments shall mature not later, nor, to the extent reasonably practicable subject to the restrictions above, earlier, than the date such moneys or investment proceeds are required for the purposes of the respective Funds and Accounts.

(c) Net investment earnings on each Fund and Account shall be credited to such Fund and Account except as set forth in this subsection.

(d) All investments shall constitute a part of the Fund or Account from which the moneys used to acquire such investments have come. The Trustee shall sell and reduce to cash a sufficient amount of investments in a Fund or Account whenever the cash balance therein is insufficient to pay the amounts then required to be paid therefrom. The Trustee may transfer investments from any Fund or Account to any other Fund or Account in lieu of cash when required or permitted by the provisions of this Indenture.

(e) The Trustee may make any investment pursuant to this Section through its bond department or short-term investment department or through any affiliate of the Trustee. In making or disposing of any investment permitted by this Section, the Trustee is authorized to deal with itself (in its individual capacity) or with one or more of its affiliates, whether it or the affiliate is acting as an agent of the Trustee or for any third person or dealing as principal for its own account. The Trustee is specifically authorized to implement its automated cash investment system to assure that cash on hand is invested and to charge its normal cash management fees, which may be deducted from income earned on investments.

(f) The Issuer and the Borrower, by the Borrower's execution of the Financing Agreement, acknowledge that to the extent regulations of the Comptroller of the Currency or other applicable regulatory entity grant the Issuer or the Borrower the right to receive brokerage confirmations of security transactions as they occur, the Issuer and the Borrower will not receive such confirmations to the extent permitted by

law. The Trustee will furnish the Borrower (and the Issuer if requested by it) periodic cash transaction statements that include detail of all investment transactions made by the Trustee under this Indenture.

Section 603. Manner of Investment. All investments in Investments (as defined in the Tax Agreement) made pursuant to this Article shall be made in accordance with the Tax Agreement, and all sales of Investments shall be at the fair market value of such Investments.

ARTICLE VII

PARTICULAR COVENANTS AND PROVISIONS

Section 701. Authority to Issue Bonds and Execute Indenture. The Issuer covenants that it is duly authorized under the Act to execute and deliver this Indenture, to issue the Bonds and to pledge and assign the Trust Estate in the manner and to the extent herein set forth; that all action on its part for the execution and delivery of this Indenture and the issuance of the Bonds has been duly and effectively taken; and that the Bonds in the hands of the Owners thereof are and will be valid and enforceable obligations of the Issuer according to the import thereof.

Section 702. Performance of Covenants. To the extent within its power and control, the Issuer will faithfully perform, or cause to be performed, at all times any and all covenants, undertakings, stipulations and provisions on its part contained in this Indenture, in the Bonds and in all proceedings pertaining thereto.

Section 703. Instruments of Further Assurance. At the sole expense of the Borrower, the Issuer will do, execute, acknowledge and deliver, or cause to be done, executed, acknowledged and delivered, such Supplemental Indentures and such further acts, instruments, financing statements and other documents as the Trustee may reasonably require for the better assuring, transferring, pledging and assigning to the Trustee, and granting a security interest unto the Trustee in and to the Trust Estate and the other property and revenues herein described. An executed counterpart of the Financing Agreement, the original Note and all other documents or instruments required by the Trustee shall be delivered to and held by the Trustee.

Section 704. Credit Facility. The Trustee shall hold and maintain the Credit Facility for the benefit of the Bondowners until the Credit Facility terminates or expires in accordance with its terms. If at any time during the term of the Credit Facility any successor Trustee shall be appointed and qualified under this Indenture, the resigning or removed Trustee shall request that the Credit Facility Provider transfer the Credit Facility to the successor Trustee, to the extent such action is necessary, and shall comply with the applicable provisions of the Credit Facility. If the resigning or removed Trustee fails to make this request, the successor Trustee shall do so before accepting appointment. On the Termination Date, after receipt of any payment due under the Credit Facility on the Termination Date, the Trustee shall promptly surrender the Credit Facility then in effect to the Credit Facility Provider unless an event of default thereunder shall have occurred and is continuing.

Section 705. Enforcement of Credit Facility.

(a) The Trustee, for the benefit of the Owners of Bonds, subject to the provisions of Section 901(l), shall diligently enforce and take all reasonable steps, actions and proceedings necessary for the enforcement of all terms, covenants and provisions of the Credit Facility as contemplated herein and therein. The Trustee shall not consent to or permit any amendment or modification of the Credit Facility that would materially adversely affect the rights or interests of the Owners of Bonds without the written consent of the Owners of 100% in aggregate principal amount of the Bonds Outstanding.

(b) Any provisions herein requiring notice to or from the Credit Facility Provider or the consent thereof prior to any action by the Trustee or the Issuer shall have no force or effect either (1) following the later of (i) the Termination Date of the Credit Facility, and (ii) the repayment of all amounts owed to the Credit Facility Provider pursuant to the Credit Documents or (2) during any period from the time that the Credit Facility Provider shall have failed or refused to honor a properly presented and conforming draw under the Credit Facility until the time that the Credit Facility Provider shall have timely honored a properly presented and conforming draw under the Credit Facility, except with respect to all rights accruing to the Credit Facility Provider with respect to un-reimbursed draws on the Credit Facility.

Section 706. Alternate Credit Facility.

(a) As provided in the Financing Agreement, the Borrower may, subject to any applicable provisions of the Credit Facility Agreement, arrange for the substitution of an Alternate Credit Facility for the existing Credit Facility, and the Trustee will accept any Alternate Credit Facility, subject to the provisions of this Section.

(b) Each Alternate Credit Facility shall be an irrevocable direct–pay letter of credit, bank bond purchase agreement, bond insurance policy, revolving credit agreement, surety bond or other agreement or instrument issued and delivered in substitution for an existing Credit Facility, under which any Person (other than the Issuer or the Borrower) irrevocably undertakes to make or provide funds to make payments of the principal of and interest on the Bonds, as and when due, and payments of the purchase price of Bonds that have been tendered for purchase and for which Remarketing Proceeds have not been received.

(c) Each Alternate Credit Facility must be effective as of the Alternate Credit Facility Date (which must be on or prior to the Termination Date of the then existing Credit Facility), and must expire no earlier than one year from the Alternate Credit Facility Date.

(d) Each Alternate Credit Facility shall be in a stated amount at least equal to the sum of (1) the aggregate principal amount of the Bonds (other than Borrower Bonds) at the time Outstanding, plus (2) required coverage for interest consisting of (A) 35 days plus the number of days for the reinstatement of the interest component of the Credit Facility (calculated at the Maximum Rate on the basis of a year of 365 or 366 days) if the Bonds are in a Weekly Mode or Monthly Mode, or (B) 185 days plus the number of days for the reinstatement of the interest component of the Credit Facility (calculated at the highest rate the Bonds may bear during the remaining term of the current Credit Facility on the basis of a year of 360 days and twelve 30-day months) if the Bonds are in any other Interest Mode, or as otherwise approved by the Rating Agency by the issuance or confirmation of the Rating Agency's rating on the Bonds.

(e) The Borrower shall give written notice to the Issuer, the Trustee, the Tender Agent, the Remarketing Agent, the Rating Agency and the Credit Facility Provider not more than 60 nor less than 35 calendar days prior to the Alternate Credit Facility Date stating its election to provide an Alternate Credit Facility on or before the expiration of the Credit Facility then in effect. The Borrower will submit a draft of the Alternate Credit Facility and the related Credit Facility Agreement and appropriate information concerning the issuer of the Alternate Credit Facility to the Rating Agency.

(f) The Borrower shall cause to be delivered to the Trustee not less than 30 days prior to the expiration or termination date of an existing Credit Facility a binding commitment by the Credit Facility Provider that will issue the Alternate Credit Facility.

(g) Upon the exercise of such option by the Borrower, the Trustee shall send to the Bondowners a notice in substantially the form of Exhibit E not later than 20 calendar days prior to the proposed Alternate Credit Facility Date. This notice may establish conditions to the occurrence of the Alternate Credit Facility Date as requested by the Borrower with the prior written consent of the Remarketing Agent, including that the original Alternate Credit Facility is delivered on the proposed Alternate Credit Facility Date.

(h) On or prior to any Alternate Credit Facility Date, the Borrower shall furnish to the Issuer and the Trustee:

(1) the original Alternate Credit Facility;

(2) an Opinion of Counsel from counsel to the Credit Facility Provider issuing the Alternate Credit Facility to the effect that the Alternate Credit Facility is a valid and binding obligation of such issuer or provider, enforceable in accordance with its terms, subject to customary exceptions relating to bankruptcy and insolvency;

(3) an Opinion of Bond Counsel, which shall also be addressed to the Issuer and the Trustee, stating that the delivery of the Alternate Credit Facility to the Trustee is authorized under this Indenture and complies with its terms and does not adversely affect the exclusion of the interest on the Bonds from gross income for federal income tax purposes;

(4) written evidence from the Rating Agency as to the rating on the Bonds to be in effect on the Bonds as of the Alternate Credit Facility Date;

(5) a certificate from the Authorized Borrower Representative and a written acknowledgment by the Authorized Credit Facility Provider Representative of the existing Credit Facility stating that all amounts owing to the Credit Facility Provider under the Credit Documents have been paid and that there are no Pledged Bonds outstanding; and

(6) a revised Exhibit B as provided in Section 505(e).

Section 707. General Limitation on Issuer Obligations. ANY OTHER TERM OR PROVISION OF THIS INDENTURE OR ANY OTHER DOCUMENT EXECUTED IN CONNECTION WITH THE TRANSACTION WHICH IS THE SUBJECT HEREOF TO THE CONTRARY NOTWITHSTANDING, THE ISSUER SHALL NOT BE REQUIRED TO TAKE OR OMIT TO TAKE, OR REQUIRE ANY OTHER PERSON OR ENTITY TO TAKE OR OMIT TO TAKE, ANY ACTION WHICH WOULD CAUSE IT OR ANY PERSON OR ENTITY TO BE, OR RESULT IN IT OR ANY PERSON OR ENTITY BEING, IN VIOLATION OF ANY LAW OF THE STATE.

Section 708. Recording and Filing. Subject to Section 901(c), no later than 60 days prior to the fifth anniversary of the Bond Issuance Date and each fifth year thereafter, the Trustee will submit a written request to the Borrower and the Credit Facility Provider for written directions with respect to the filing of financing statements and continuations of any financing statements initially filed with respect to the Trust Estate. Upon receipt of written directions from the Borrower or the Credit Facility Provider or, if directions are not received at least 30 days following the Trustee's written request, the Trustee, at the expense of the Borrower, will cause continuation statements with respect to the Trust Estate to be filed in the manner and in the places and, to the extent possible, under applicable law as in effect in the jurisdictions in which the Trust Estate is located, in order to maintain the priority and security interest of the Trust Estate as set forth in the written directions. The Issuer hereby authorizes the filing of financing statements under the Uniform

Commercial Code in connection with any security interest granted hereunder. The Issuer, to the extent permitted by law, at the expense of the Borrower, shall execute and cause to be executed any and all further instruments as may be reasonably required by the Trustee or the Credit Facility Provider for such protection and perfection of the interests of the Trustee, the Bondowners and the Credit Facility Provider.

Section 709. Possession and Inspection of Books and Documents. The Issuer and the Trustee covenant and agree that all books and documents in their possession relating to the Financing Agreement, the Credit Facility and to the distribution of proceeds thereof shall at all times be open to inspection by such accountants or other agencies or persons as the other party or the Credit Facility Provider or the Borrower may from time to time designate during normal business hours upon reasonable prior notice.

Section 710. Rights and Duties Under Agreement and Credit Facility. The Trustee hereby acknowledges and agrees to the terms, conditions, appointments and agencies of the Financing Agreement, the Note and the Credit Facility as they relate to it and its participation in the transactions contemplated hereby and thereby. The Trustee, as assignee hereunder, in its name or to the extent permitted by law, in the name of the Issuer, may enforce all rights of the Issuer without recourse (but only with the prior written consent of the Credit Facility Provider unless the Credit Facility Provider is in default under the Credit Facility) and all obligations of the Credit Facility Provider and the Borrower under the Financing Agreement, the Note and the Credit Facility (and waive the same with the consent of the Credit Facility Provider, except for rights expressly granted to the Borrower) on behalf of the Bondowners whether or not the Issuer is in default hereunder.

Section 711. Tax Covenants.

(a) The Issuer covenants and agrees that, to the extent that it has control of the use of proceeds of the Bonds, it will use the proceeds of the Bonds, or cause the proceeds of the Bonds to be used, as soon as practicable and with all reasonable dispatch for the purposes for which the Bonds are issued. The Issuer further covenants and agrees that, to the extent it has control over the investment of the proceeds of the Bonds, it will not take any action or fail to take any action, with respect to the investment of the proceeds of any Bonds issued under this Indenture or with respect to the payments derived under the Financing Agreement, which would result in constituting the Bonds "arbitrage bonds" within the meaning of such term as used in Section 148 or other corresponding provision of the Code. The Issuer shall require that the Borrower or any Related Person shall not, pursuant to an arrangement, formal or informal, purchase Bonds in an amount related to the amount of the loan to be made to the Borrower under the Financing Agreement.

(b) The Issuer will not knowingly take any action or omit to take any action or permit any action that is within its control to be taken or omitted which would to its knowledge impair the exclusion of interest on the Bonds from gross income for federal income tax purposes.

(c) Upon receipt of an Opinion of Bond Counsel, the Issuer, to the extent within its power and control, will do and perform all acts and things permitted by law and this Indenture which are necessary or desirable in order to assure that interest paid on the Bonds will be excludable from gross income for federal income tax purposes and shall not knowingly take any action that would result in such interest not being excludable from gross income for federal income tax purposes.

(d) The Issuer shall be deemed in compliance with this Section to the extent it follows the Tax Agreement or an Opinion of Bond Counsel with respect to the investment of funds under this Indenture.

ARTICLE VIII

DEFAULT AND REMEDIES

Section 801. Events of Default. If any one or more of the following events occur, it is hereby defined as and declared to be and to constitute an "Event of Default":

(a) default in the due and punctual payment of any interest on any Bond;

(b) default in the due and punctual payment of the principal of or redemption premium, if any, on any Bond, whether at the stated maturity or accelerated maturity thereof, or upon proceedings for redemption thereof or otherwise;

(c) default in the payment of the Tender Price of any Tendered Bond;

(d) the occurrence of either or both of the following:

(i) if the interest component of the Credit Facility is not subject to automatic reinstatement, the Trustee has received written notice from the Credit Facility Provider, within the period provided for in the Credit Facility, that the Credit Facility Provider will not reinstate the interest portion of the Credit Facility; or

(ii) the Trustee's receipt of written notice from the Credit Facility Provider that an "Event of Default" has occurred under the Credit Facility Agreement together with a direction from the Credit Facility Provider to the Trustee requiring either (A) the acceleration of the Bonds pursuant to Section 802(b) or (B) the mandatory purchase of the Bonds pursuant to Section 802(f); or

(e) the occurrence of an "Event of Default" under the Financing Agreement and declaration of acceleration of the Loan Payments as provided in Section 8.2 of the Financing Agreement; or

(f) the Trustee's receipt of written notice from the Issuer or the Borrower of termination of the Base Lease or Sublease.

The Trustee shall give Immediate Notice of any Event of Default to the Issuer, the Borrower and the Credit Facility Provider as promptly as practicable after the occurrence of an Event of Default of which the Trustee has knowledge or is deemed to have knowledge as provided in Section 901(h).

Section 802. Acceleration; Mandatory Purchase.

(a) If an Event of Default described in subsections (a), (b), (c), (d)(i) or (f) of Section 801 has occurred and is continuing, the Trustee shall, by notice in writing delivered to the Issuer, the Borrower and the Credit Facility Provider, declare the principal of all Bonds then Outstanding and the interest accrued thereon immediately due and payable. The Bonds shall cease to bear interest immediately upon the Trustee's declaration. The principal and interest shall thereupon become due and payable on a date established by the Trustee, which date shall not be more than ten calendar days after such acceleration.

(b) If an Event of Default described in subsections (d)(ii) or (e) of Section 801 has occurred and is continuing, the Trustee shall immediately, by notice in writing delivered to the Issuer, the Borrower and the Credit Facility Provider, declare the principal of all or part of the Bonds then Outstanding and the

interest accrued thereon due and payable on the date established by the Trustee, which date shall be a Business Day that is at least three and no more than ten calendar days after receipt by the Trustee of notice of an Event of Default described in subsections (d)(ii) or (e) of Section 801. The Bonds shall cease to bear interest immediately upon the Trustee's declaration; subject, however, to subsection (d).

(c) Upon any acceleration of the maturity of the Bonds, the Trustee shall promptly demand payment under the Credit Facility in accordance with Section 505(b) to the extent permitted by the terms thereof and pursue the remedies of the Trustee thereunder.

(d) If, at any time after such declaration, but before the Bonds shall have matured by their terms, all overdue installments of principal of and interest on the Bonds, together with the reasonable and proper fees, charges and expenses of the Issuer and the Trustee, and all other sums then payable by the Issuer under this Indenture shall either be paid or provision satisfactory to the Trustee shall be made for such payment, then and in every such case the Trustee shall, but only with the approval of the Credit Facility Provider and the Owners of not less than a majority in aggregate principal amount of the Bonds Outstanding, and upon the written reinstatement of the Credit Facility and written rescission of the notice from the Credit Facility Provider under Section 801(d)(ii), rescind such declaration and annul such default in its entirety. In such event, the Trustee shall rescind any declaration of acceleration of the Loan Payments as provided in Section 8.2 of the Financing Agreement.

(e) In case of any rescission, then and in every such case the Issuer, the Trustee and the Bondowners shall be restored to their former position and rights hereunder respectively, but no such rescission shall extend to any subsequent or other default or Event of Default or impair any right consequent thereon.

(f) Upon the occurrence and continuance of an Event of Default under Section 801(d)(ii), the Credit Facility Provider in its notice to the Trustee may direct the Trustee to purchase the Bonds for the Credit Facility Provider's own account as provided in Section 302(d), rather than to accelerate the Bonds as provided in Section 802(b). In such case, the Trustee shall draw upon the Credit Facility in accordance with the provisions of Section 302(d) to pay the purchase price for the Bonds, which shall be an amount equal to the principal of all Outstanding Bonds and accrued interest thereon to the Mandatory Purchase Date, and upon receipt of the proceeds of such draw, shall immediately purchase the Bonds in accordance with Section 302. The Bonds so purchased by the Credit Facility Provider shall remain Outstanding hereunder.

Section 803. Surrender of Possession of Trust Estate; Rights and Duties of Trustee in Possession.

(a) If an Event of Default has occurred and is continuing, the Issuer, upon demand of the Trustee, shall forthwith surrender the possession of, and it shall be lawful for the Trustee, by such officer or agent as it may appoint, to take possession of all or any part of the Trust Estate, together with the books, papers and accounts of the Issuer pertaining thereto, and including the rights and the position of the Issuer under the Financing Agreement and to hold and manage the same and to collect, receive and sequester the payments, revenues and receipts derived under the Financing Agreement, and out of the same and any moneys received from any receiver of any part thereof pay and set up proper reserves for the payment of all proper costs and expenses of so taking, holding and managing the same, including (i) reasonable compensation to the Trustee, its agents and counsel, (ii) any reasonable charges of the Trustee hereunder, and (iii) any taxes and assessments, and other charges, prior to the lien of this Indenture which the Trustee may deem it wise to pay, and the Trustee shall apply the remainder of the moneys so received in accordance with Section 808. Whenever all that is due upon the Bonds shall have been paid and all defaults made good and all payments pursuant to Section 506 have been made, the Trustee shall surrender possession of the

Trust Estate to the Issuer, its successors or assigns. While the Credit Facility is in force and effect, if no Bonds are Outstanding, the Trustee and the Issuer have been fully compensated for all their fees, costs and expenses, and any amounts remain un-reimbursed with respect to the Credit Facility, the Issuer shall thereafter transfer possession of the Trust Estate to the Credit Facility Provider.

(b) While in possession of the Trust Estate, the Trustee shall render annually (or more often if requested in writing but not more frequently than monthly) to the Issuer, the Borrower and the Credit Facility Provider a summarized statement of receipts and expenditures in connection therewith.

Section 804. Appointment of Receivers in Event of Default. If an Event of Default has occurred and is continuing, and upon the filing of a suit or other commencement of judicial proceedings to enforce the rights of the Trustee and of the Bondowners under this Indenture, the Trustee shall be entitled, with the approval of the Credit Facility Provider if the Credit Facility Provider has not failed to honor a proper draw under the Credit Facility, as a matter of right, to the appointment of a receiver or receivers of the Trust Estate and of the earnings, income, products and profits thereof, pending such proceedings, with such powers as the court making such appointment shall confer.

Section 805. Exercise of Remedies by the Trustee.

(a) If an Event of Default has occurred and is continuing, the Trustee may, with the approval of the Credit Facility Provider if the Credit Facility Provider has not failed to honor a proper draw under the Credit Facility, pursue any available remedy at law or equity by suit, action, mandamus or other proceeding to enforce the payment of the principal of and redemption premium, if any, and interest on the Bonds then Outstanding, and to enforce and compel the performance of the duties and obligations of the Issuer as herein set forth.

(b) If an Event of Default has occurred and is continuing, and if requested so to do by the Credit Facility Provider or by the Owners of not less than 25% in aggregate principal amount of the Bonds then Outstanding and indemnified as provided in Section 901(l), with the approval of the Credit Facility Provider if the Credit Facility Provider has not failed to honor a proper draw under the Credit Facility, the Trustee shall be obligated to exercise such one or more of the rights and powers conferred by this Article as the Trustee, being advised by counsel, shall deem most expedient in the interests of the Bondowners.

(c) All rights of action under this Indenture or under any of the Bonds may be enforced by the Trustee without the possession of any of the Bonds or the production thereof in any trial or other proceedings relating thereto, and any such suit or proceeding instituted by the Trustee shall be brought in its name as Trustee without the necessity of joining as plaintiffs or defendants any Bondowner, and any recovery or judgment shall, subject to Section 808, be for the equal benefit of all the Owners of the Outstanding Bonds.

Section 806. Limitation on Exercise of Remedies by Bondowners. No Bondowner shall have any right to institute any suit, action or proceeding in equity or at law for the enforcement of this Indenture or for the execution of any trust hereunder or for the appointment of a receiver or any other remedy hereunder, unless:

(1) a default has occurred of which the Trustee has notice or is deemed to have notice as provided in Section 901(h), and

(2) such default shall have become an Event of Default, and

(3) the Owners of not less than 25% in aggregate principal amount of the Bonds then Outstanding shall have made written request to the Trustee, shall have offered it reasonable opportunity either to proceed to exercise the powers hereinbefore granted or to institute such action, suit or proceeding in its own name, and shall have provided to the Trustee indemnity as provided in Section 901(l), and

(4) the Trustee shall thereafter fail or refuse to exercise the powers herein granted or to institute such action, suit or proceeding in its own name, and

(5) the Credit Facility Provider shall have consented thereto if the Credit Facility Provider has not failed to honor a proper draw under the Credit Facility;

and such notification, request and indemnity are hereby declared in every case, at the option of the Trustee (with the exception of any duty to make demand on, and proceed under, the Credit Facility, cause an acceleration of the Bonds or make payments when due), to be conditions precedent to the execution of the powers and trusts of this Indenture, and to any action or cause of action for the enforcement of this Indenture, or for the appointment of a receiver or for any other remedy hereunder, it being understood and intended that no one or more Bondowners shall have any right in any manner whatsoever to affect, disturb or prejudice this Indenture by such Bondowners' action or to enforce any right hereunder except in the manner herein provided, and that all proceedings at law or in equity shall be instituted, had and maintained in the manner herein provided and for the equal benefit of the Owners of all Bonds then Outstanding. Nothing in this Indenture, however, shall affect or impair the right of any Bondowner to payment of the principal of, redemption premium, if any, and interest on any Bond at and after its maturity or the obligation of the Issuer to pay the principal of, redemption premium, if any, and interest on each of the Bonds to the respective Owners thereof at the time, place, from the source and in the manner herein and in such Bond expressed.

Section 807. Right of Bondowners to Direct Proceedings. Subject to Section 814, the Owners of a majority in aggregate principal amount of the Bonds then Outstanding shall have the right, at any time, but only with the approval of the Credit Facility Provider if the Credit Facility Provider has not failed to honor a proper draw under the Credit Facility, by an instrument or instruments in writing executed and delivered to the Trustee, to direct the time, method and place of conducting all proceedings to be taken in connection with the enforcement of this Indenture, or for the appointment of a receiver or any other proceedings hereunder; provided that the Trustee shall have been provided indemnity satisfactory to it in accordance with Section 901(l) and provided that such direction shall not be otherwise than in accordance with the provisions of law and of this Indenture, and provided, further, that the Trustee shall have the right to decline to follow any such direction if the Trustee in good faith shall determine that the proceeding so directed would involve it in personal liability.

Section 808. Application of Moneys in Event of Default.

(a) Upon an Event of Default all moneys held or received by the Trustee pursuant to this Indenture, the Financing Agreement, or the Credit Facility or pursuant to any right given or action taken under this Article shall, after payment of the reasonable fees, costs and expenses of the Trustee and of the proceedings resulting in the collection of such moneys, be deposited in the Debt Service Fund (provided, however, Available Moneys, including moneys received under the Credit Facility, shall be used, until Bonds are no longer Outstanding hereunder, only for the payment of principal or interest on the Bonds) and all moneys so deposited in the Debt Service Fund shall be applied as follows:

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

First - to the payment to the persons entitled thereto of all installments of interest then due and payable on the Bonds, other than the Borrower Bonds, in the order in which such installments of interest became due and payable, with interest thereon at the rate or rates specified in the respective Bonds to the extent permitted by law, and, if the amount available shall not be sufficient to pay in full any particular installment, then to the payment ratably, according to the amounts due on such installment, to the persons entitled thereto, without any discrimination or privilege;

Second - to the payment to the persons entitled thereto of the unpaid principal of and redemption premium, if any, on any of the Bonds, other than Borrower Bonds, that shall have become due and payable (other than Bonds called for redemption for the payment of which moneys or securities are held pursuant to this Indenture), in the order of their due date, with interest on such principal and redemption premium, if any, at the rate or rates specified in the respective Bonds from the respective dates upon which they became due and payable, and, if the amount available shall not be sufficient to pay in full such principal and redemption premium, if any, due on any particular date, together with such interest, then to the payment ratably, according to the amounts of principal and redemption premium, if any, due on such date, to the persons entitled thereto without any discrimination or privilege;

Third - to the payment to the Credit Facility Provider, the unpaid principal and interest due on the Pledged Bonds;

Fourth - to the payment of the reasonable fees, expenses, liabilities and advances incurred or made by the Issuer or the Trustee;

Fifth - to the Credit Facility Provider any amounts due and owing under the Credit Documents as evidenced by a written certificate of the Credit Facility Provider;

Sixth - to pay principal and interest on any Borrower Bonds; and

Seventh - to the Borrower.

(2) If the principal of all the Bonds shall have become due or shall have been declared due and payable, all such moneys shall be applied to the payment of the principal, redemption premium, if any, and interest then due and unpaid on all of the Bonds, with interest on such principal and redemption premium, if any, and, to the extent permitted by law, on such interest, at the rate or rates specified in the respective Bonds, without preference or priority of principal, redemption premium or interest over principal, redemption premium or interest or of any installment of interest over any other installment of interest or of any Bond over any other Bond, ratably, according to the amounts due respectively for principal, redemption premium, if any, and interest, to the persons entitled thereto, without any discrimination or privilege; except that principal of and interest on Pledged Bonds shall only be paid after Bonds other than Borrower Bonds have been paid and Borrower Bonds other than Pledged Bonds shall only be paid after the amounts due the Credit Facility Provider under the Credit Documents, as evidenced by a written certificate of the Credit Facility Provider, shall have been paid in full.

(3) If the principal of all the Bonds shall have been declared due and payable, and if such declaration shall thereafter have been rescinded and annulled under this Article then, subject

to paragraph (2), in the event that the principal of all the Bonds shall later become due or be declared due and payable, the moneys shall be applied in accordance with this subsection.

(b) Whenever moneys are to be applied pursuant to this Section, such moneys shall be applied at such times and from time to time as the Trustee shall determine, having due regard to the amount of such moneys available and which may become available for such application in the future. No moneys in the Credit Facility Account will be applied to the payment of redemption premium on the Bonds or for the payment of the principal of or interest on Borrower Bonds.

(c) Whenever all of the Bonds and interest thereon have been paid under this Section, and all fees, expenses and charges of the Issuer and the Trustee have been paid and all arbitrage rebate owing has been paid, any balance remaining in the Funds shall be paid first to the Credit Facility Provider and second to the Borrower as provided in Section 507.

(d) For purposes of this Section, in connection with the payment of Borrower Bonds and Pledged Bonds, the Trustee is deemed to know the principal amount of Borrower Bonds and Pledged Bonds only if the Trustee has received written notice to that effect.

Section 809. Remedies Cumulative. No remedy conferred by this Indenture upon or reserved to the Trustee, the Credit Facility Provider or to the Bondowners is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to any other remedy given to the Trustee, the Credit Facility Provider or to the Bondowners hereunder or now or hereafter existing at law or in equity or by statute.

Section 810. Delay or Omission Not Waiver. No delay or omission to exercise any right, power or remedy accruing upon any Event of Default shall impair any such right, power or remedy or shall be construed to be a waiver of any such Event of Default or acquiescence therein, and every such right, power or remedy may be exercised from time to time and as often as may be deemed expedient.

Section 811. Effect of Discontinuance of Proceedings. In case the Trustee shall have proceeded to enforce any right under this Indenture by the appointment of a receiver, by entry, or otherwise, and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely, then and in every such case the Issuer, the Borrower, the Trustee, the Credit Facility Provider and the Bondowners shall be restored to their former positions and rights hereunder, and all rights, remedies and powers of the Trustee shall continue as if no such proceedings had been taken.

Section 812. Waivers of Events of Default. The Trustee shall waive any Event of Default and its consequences and rescind any declaration of maturity of principal upon the written request of the Owners of a majority in aggregate principal amount of the Bonds then Outstanding; provided that there shall not be waived without the written consent of the Owners of all the Bonds Outstanding (a) any Event of Default in the payment of the principal of any Outstanding Bonds at their maturity, upon the redemption (including as a result of acceleration) or tender thereof, (b) any Event of Default under Section 801(d)(i) unless the Credit Facility Provider has given written notice to the Trustee that the Credit Facility has been reinstated in full or under Section 801(d)(ii) unless the Credit Facility Provider has given written notice to the Trustee of the written rescission of the notice from the Credit Facility Provider under Section 801(d)(ii) and confirming that the full stated amount of the Credit Facility is available, or (c) any Event of Default in the payment when due of the interest on any such Bonds unless, prior to such waiver or rescission, all arrears of interest, with interest (to the extent permitted by law) at the rate borne by the Bonds on overdue installments of interest in respect of which such default shall have occurred, or all arrears of payments of principal when due, as the case may be, all fees, charges and expenses of the Issuer and the Trustee in connection with such Event of Default shall have been paid or provided for, and the Credit Facility Provider has given written

notice to the Trustee that the Credit Facility has been reinstated in full. However, there shall not be waived any Event of Default under Section 801(d)(ii) without the prior written consent of the Credit Facility Provider and written rescission of the notice from the Credit Facility Provider under Section 801(d)(ii); (ii) no Event of Default shall be waived without the prior written consent of the Credit Facility Provider if it has honored all its obligations under the Credit Facility; and (iii) no Default involving the nonpayment of the fees, charges or expenses of the Trustee shall be waived without the prior written consent of the Trustee. In case of any such waiver or rescission, or in case any proceeding taken by the Trustee on account of any such Event of Default shall have been discontinued or abandoned or determined adversely, then and in every such case the Issuer, the Borrower, the Trustee, the Bondowners and the Credit Facility Provider shall be restored to their former positions, rights and obligations hereunder, respectively, but no such waiver or rescission shall extend to any subsequent or other default, or impair any right consequent thereon.

Section 813. Borrower Bonds. For the purposes of this Article VIII, Borrower Bonds shall not be deemed Outstanding under this Indenture until the payment in full of the principal of and interest on all other Bonds or the provision for the payment thereof shall have been duly made. In the event any vote or consent of the Bondowners is required hereunder, all Borrower Bonds shall be deemed Outstanding for such purpose hereunder and the Credit Facility Provider shall be deemed the Owner thereof for purposes of voting or consenting thereto.

Section 814. Credit Facility Provider to Direct Trustee. Any provision herein to the contrary notwithstanding, if an Event of Default described in Section 801(d)(ii) has occurred and is continuing, the Trustee (subject to the requirements of Section 901) shall exercise the remedies provided for hereunder only if and as directed in writing by the Credit Facility Provider, shall not waive any Event of Default without the prior written consent of the Credit Facility Provider, and shall waive such Event of Default at the direction of the Credit Facility Provider; provided that such direction shall not be otherwise than in accordance with the provisions of law and of this Indenture.

ARTICLE IX

THE TRUSTEE

Section 901. Acceptance of Trusts. The Trustee hereby accepts the trusts imposed upon it by this Indenture, but only upon and subject to the following express terms and conditions:

(a) No implied covenants or obligations shall be read into this Indenture against the Trustee. The Trustee, prior to the occurrence of an Event of Default and after the curing of all Events of Default which may have occurred, undertakes to perform such duties and only such duties as are specifically set forth in this Indenture. Subject to the limitations on liability of the Trustee contained in Section 901(l), in case an Event of Default shall have occurred of which the Trustee is deemed hereunder to have knowledge (and which has not been cured or waived), the Trustee shall exercise such of the rights and powers vested in it by this Indenture, and shall use the same degree of care and skill in their exercise, as a prudent person would exercise or use under the circumstances in the conduct of such person's own affairs.

(b) The Trustee may execute any of the trusts or powers or perform any duties under this Indenture either directly or through agents, attorneys or receivers. The Trustee is not responsible for the misconduct or negligence of any agent, attorney or receiver appointed by the Trustee with due care. The Trustee shall be entitled to conclusively rely and act or refrain from acting upon the opinion or advice of counsel in the exercise of reasonable care, who may be counsel to the Trustee, the Issuer, the Credit Facility Provider or the Borrower, concerning all matters of trusts hereof and the duties hereunder, and may in all cases pay such reasonable compensation to all such agents, attorneys and receivers as may reasonably be

employed in connection with the trusts of this Indenture. The Trustee shall not be responsible for any loss or damage resulting from any action or non-action by it taken or omitted to be taken in good faith in reliance upon such opinion or advice of such agents, attorneys and receivers appointed with due care by the Trustee under this Indenture.

(c) The Trustee shall not be responsible for any recital in this Indenture or in the Bonds (except with respect to the Certificate of Authentication of the Trustee endorsed on the Bonds), or for the recording or rerecording, filing or re-filing of this Indenture or any security agreements or financing statements in connection therewith (except as provided in Section 708), or for insuring the Project or collecting any insurance moneys or taxes, or for the validity of the execution by the Issuer of this Indenture or of any Supplemental Indentures or instruments of further assurance, or for the sufficiency of the security for the Bonds. The Trustee shall not be responsible or liable for any loss suffered in connection with any investment of funds made by it in accordance with Article VI.

(d) The Trustee shall not be accountable for the use of any Bonds authenticated and delivered under this Indenture. The Trustee, in its individual or any other capacity, may become the Owner or pledgee of Bonds with the same rights that it would have if it were not Trustee.

(e) The Trustee may rely and shall be protected in acting in good faith or refraining from acting in good faith upon any ordinance, resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, affidavit, letter, telegram or other paper or document provided for under this Indenture believed by it to be genuine and correct and to have been signed, presented or sent by the proper person or persons. Any action taken by the Trustee pursuant to and in accordance with this Indenture upon the request or authority or consent of any person who, at the time of making such request or giving such authority or consent is the Owner of any Bond, shall be conclusive and binding upon all future Owners of the same Bond and upon Bonds issued in exchange therefor or upon transfer or in place thereof.

(f) As to the existence or nonexistence of any fact or as to the sufficiency or validity of any instrument, paper or proceeding, or whenever in the administration of this Indenture the Trustee shall deem it desirable that a matter be proved or established prior to taking, suffering or omitting any action hereunder, the Trustee shall be entitled to rely upon a certificate signed by the Authorized Issuer Representative, the Authorized Borrower Representative or the Authorized Credit Facility Provider Representative, as applicable, as sufficient evidence of the facts therein contained, and prior to the occurrence of a default of which the Trustee has been notified as provided in subsection (h) or of which by that subsection the Trustee is deemed to have notice, the Trustee shall also be at liberty to accept a similar certificate to the effect that any particular dealing, transaction or action is necessary or expedient, but may at its discretion secure such further evidence deemed necessary or advisable, but shall in no case be bound to secure the same.

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

(h) The Trustee shall not be required to take notice or be deemed to have notice of any Default or Event of Default under this Indenture except a Default or an Event of Default under Section 801(a), (b), (c) or (d) or failure by the Issuer to cause to be made any of the payments to the Trustee required to be made in Article V, unless the Trustee shall be specifically notified in writing of such default by the Issuer, the Credit Facility Provider or the Owners of at least 25% in aggregate principal amount of all Bonds then Outstanding. All notices or other instruments required by this Indenture to be delivered to the Trustee shall be delivered at the Administrative Office of the Trustee, and, in the absence of such notice so delivered, the Trustee may conclusively assume there is no default or Event of Default except as aforesaid. The Trustee

shall notify the Credit Facility Provider and the Borrower of any default known to the Trustee that has not yet become a matured Event of Default.

(i) At any and all reasonable times the Trustee and its duly authorized agents, attorneys, experts, engineers, accountants and representatives shall have the right, but shall not be required, to inspect the Project, including all books, papers and records of the Issuer pertaining to the Project, the loan made to the Borrower pursuant to the Financing Agreement and the Bonds, and to take such memoranda from and in regard thereto as may be desired.

(j) The Trustee shall not be required to give any bond or surety in respect of the execution of its trusts and powers hereunder or otherwise in respect of the Project.

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

(l) Except as provided in the next sentence, before taking any action under this Indenture, the Trustee may require that satisfactory indemnity be furnished to it for the reimbursement of its fees and all costs and expenses to which it may be put and to protect it against all liability it may incur by reason of such action (including, without limitation, attorneys' fees and expenses and liability in connection with environmental contamination and remediation), except liability which is adjudicated to have resulted from its negligence or willful misconduct by reason of any action so taken. The Trustee shall be required, without indemnity, to make drawings on the Credit Facility, to pay the principal and purchase price of, premium, if any and interest on the Bonds from moneys available in the Funds and Accounts hereunder, to accelerate the maturity of the Bonds pursuant to Section 802(a) or (b), to call the Bonds for mandatory purchase pursuant to Section 802(f), or to give notice of the mandatory tender of Bonds pursuant to Section 302, and, upon the acceleration of the maturity of the Bonds or the mandatory purchase or tender of the Bonds, to promptly demand payment under the Credit Facility to the extent permitted by the terms thereof.

(m) All moneys received by the Trustee shall, until used, applied or invested as herein provided, be held in trust for the purposes for which they were received but need not be segregated from other funds, except to the extent required by law or this Indenture. The Trustee shall be under no liability for interest on any moneys received hereunder, except to account for interest earned from Investment Securities.

(n) Notwithstanding the effective date of this Indenture or anything to the contrary in this Indenture, the Trustee shall have no liability or responsibility for any act or event relating to this Indenture that occurs prior to the date the Trustee formally executes this Indenture and commences acting as Trustee under this Indenture.

(o) No provision of this Indenture shall be deemed to require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of its rights or powers, if the Trustee has reasonable grounds for believing that repayment of those funds or, in the alternative, adequate indemnity against such risk or liability is not reasonably assured to it.

(p) The Trustee has no obligation or liability to the Bondowners for the payment of interest or premium, if any, on or principal of the Bonds, but rather the Trustee's sole obligations are to administer,

for the benefit of the Issuer, the Credit Facility Provider, the Borrower and the Bondowners, the Funds established hereunder.

(q) In the event the Trustee shall receive inconsistent or conflicting requests and indemnity from two or more groups of Bondowners, each representing less than a majority of the aggregate principal amount of the Bonds then Outstanding, the Trustee, in its sole discretion, may determine (which determination may be in reliance upon the advice or opinion of counsel) what action, if any, shall be taken; provided, that, the Trustee shall follow the direction of the Credit Facility Provider if the Credit Facility Provider has not failed to honor a proper draw under the Credit Facility.

(r) The Trustee shall have no responsibility with respect to any information in any offering memorandum or other disclosure material distributed with respect to the Bonds. The Trustee shall have no responsibility for compliance with securities laws in connection with issuance of the Bonds.

(s) The Trustee's immunities and protections from liability, and its right to payment of compensation and indemnification in connection with performance of its duties and obligations under this Indenture and the Financing Agreement, shall survive the Trustee's resignation or removal, or the final payment of the Bonds.

(t) In acting or omitting to act pursuant to the provisions of the Financing Agreement, the Regulatory Agreement or the Tax Agreement, the Trustee shall be entitled to all of the rights, protections and immunities accorded to the Trustee under the terms of this Indenture, including but not limited to those set out in this Article IX.

(u) The Trustee is under no duty, obligation or responsibility to verify any insurance policy, audit, schedule, statement, report, surety bond or other instrument required or directed to be delivered or filed with the Trustee by any provision of this Indenture nor is the Trustee under any duty of any other character with respect to the foregoing except to review any of the foregoing to verify compliance with this Indenture or the Financing Agreement or deliver a copy from time to time during reasonable business hours to any Bondowner desiring to inspect the foregoing (provided the Bondowner pays the associated costs).

(v) The Trustee will not be liable for any error of judgment made in good faith by an authorized officer of the Trustee, unless it is proved that the Trustee was negligent in ascertaining the pertinent facts.

(w) Whether or not expressly so provided, every provision of this Indenture relating to the conduct or affecting the liability of, conveying rights or duties, or affording protection to the Trustee, whether in its capacity as Trustee, Tender Agent, Paying Agent, Bond Registrar or any other capacity, will be subject to the provisions of this Section.

Section 902. Fees, Charges and Expenses of the Trustee. The Trustee shall be entitled to payment of and reimbursement for reasonable fees for its ordinary services rendered hereunder and all advances, agent and counsel fees and expenses and other ordinary expenses reasonably and necessarily made or incurred by the Trustee in connection with such ordinary services and, in the event that it should become necessary that the Trustee perform extraordinary services, it shall be entitled to reasonable extra compensation therefor and to reimbursement for reasonable and necessary extraordinary expenses in connection therewith; provided that if such extraordinary services or extraordinary expenses are occasioned by the neglect or willful misconduct of the Trustee it shall not be entitled to compensation or reimbursement therefor. The Trustee shall be entitled to payment and reimbursement for the reasonable fees and charges of the Trustee as Paying Agent, Tender Agent and Bond Registrar. Pursuant to the provisions of Section 3.5 of the Financing Agreement, the Borrower has agreed to pay to the Trustee all fees, charges and expenses of the Trustee under this Indenture. The Trustee agrees that the Issuer shall have no liability for

any fees, charges, advances, costs and expenses of the Trustee, and the Trustee agrees to look only to the Borrower for the payment of all fees, charges and expenses of the Trustee as provided in the Financing Agreement. Upon the occurrence of an Event of Default and during its continuance, the Trustee shall have a first lien for the foregoing advances, fees, costs and expenses incurred, with right of payment prior to payment on account of principal of, redemption premium, if any, or interest on any Bond, upon all moneys in its possession under any provisions hereof, other than moneys received under the Credit Facility, moneys on deposit in the Purchase Fund or the Rebate Fund, or moneys which constitute Available Moneys for the payment of redemption premium. Each provision of this Indenture that provides for compensation, reimbursement or indemnification of the Trustee is deemed to provide for the payment of all related fees, costs, charges, advances and expenses of the Trustee (including, without limitation, attorneys' fees and expenses), whether or not so stated, unless the context clearly indicates otherwise.

Section 903. Notice to the Bondowners if Default Occurs. If a Default occurs of which the Trustee is by Section 901(h) required to take notice or if notice of Default be given as in said Section provided, then the Trustee shall give written notice thereof by mail, within 30 days of the receipt of notice by the Trustee of such Default, to the Borrower, the Credit Facility Provider and to the Owners of all Bonds then Outstanding as shown by the Bond Register in the same manner as required by Section 1302; provided, that the Trustee shall further give prompt notice of such Default to the Issuer and the Credit Facility Provider by such means as is practicable under the circumstances.

Section 904. Intervention by the Trustee. In any judicial proceeding to which the Issuer is party and which, in the opinion of the Trustee and its counsel, has a substantial bearing on the interests of Owners of the Bonds or the Credit Facility Provider, the Trustee may intervene on behalf of Bondowners and the Credit Facility Provider and shall do so if requested in writing by the Credit Facility Provider or the Owners of at least 25% in the aggregate principal amount of Bonds then Outstanding (with the written consent of the Credit Facility Provider), and if provided with indemnity satisfactory to it.

Section 905. Successor Trustee Upon Merger, Consolidation or Sale. Any corporation or association with or into which the Trustee may be merged or converted or with or into which it may be consolidated, or to which the Trustee may sell or transfer its corporate trust business and assets as a whole or substantially as a whole, or any corporation or association resulting from any merger, conversion, sale, consolidation or transfer to which it is a party, shall be and become successor Trustee hereunder and shall be vested with all the trusts, powers, rights, obligations, duties, remedies, immunities and privileges hereunder as was its predecessor, without the execution or filing of any instrument or any further act on the part of any of the parties hereto.

Section 906. Trustee Required; Eligibility. There shall at all times be a Trustee hereunder which shall be a trust institution or bank with an office in the State and qualified to accept such trust either (i) has at the time of appointment capital and surplus of not less than $50,000,000, (ii) is owned by a company that has at the time of appointment capital and surplus of not less than $50,000,000, or (iii) has assets under corporate trust management of not less than $500,000,000. If such institution publishes reports of conditions at least annually pursuant to law or regulation, then for the purposes of this Section the capital, surplus and undivided profits of such institution shall be deemed to be its capital, surplus and undivided profits as set forth in its most recent report of condition so published. If at any time the Trustee shall cease to be eligible in accordance with the provisions of this Section, it shall resign immediately in the manner provided in Section 907. No resignation or removal of the Trustee and no appointment of a successor Trustee shall become effective until the successor Trustee has accepted its appointment under Section 909.

Section 907. Resignation of Trustee. The Trustee and any successor Trustee may at any time resign from the trusts hereby created by giving 30 days' written notice to the Credit Facility Provider, the Remarketing Agent, the Issuer, the Borrower and the Bondowners, and such resignation shall take effect at

the end of such 30 days, or upon the earlier appointment of a successor Trustee by the Issuer or by the Owners of a majority in aggregate principal amount of the Bonds then Outstanding in accordance with Section 909; provided, however, that in no event shall the resignation of the Trustee become effective until such time as a successor Trustee has been appointed and has accepted appointment.

Section 908. Removal of Trustee. The Trustee may be removed at any time upon 30 days written notice by an instrument or concurrent instruments in writing appointing a successor Trustee and signed by (i) the Borrower (provided no Default, Event of Default or condition which, with the giving of notice, the passage of time or both, would constitute a Default or an Event of Default has occurred and is continuing) with the written consent of the Credit Facility Provider, (ii) the Credit Facility Provider or (iii) the Owners of a majority in aggregate principal amount of Bonds then Outstanding (with the written consent of the Credit Facility Provider), delivered to the Trustee and the Issuer. Removal shall not be effective until such time as a successor Trustee has been appointed in accordance with Section 909 and has accepted its appointment. The Issuer, the Borrower, the Credit Facility Provider or any Bondowner may at any time petition any court of competent jurisdiction for the removal for cause of the Trustee.

Section 909. Appointment of Successor Trustee. In case the Trustee hereunder shall resign or be removed, or shall otherwise become incapable of acting hereunder, or in case it shall be taken under the control of any public officer or officers or of a receiver appointed by a court, a successor Trustee may be appointed by (i) the Borrower (provided no Default, Event of Default or condition which, with the giving of notice, the passage of time or both, would constitute a Default or an Event of Default has occurred and is continuing) with the written consent of the Credit Facility Provider, (ii) the Credit Facility Provider or (iii) the Owners of a majority in aggregate principal amount of Bonds then Outstanding (with the written consent of the Credit Facility Provider), by an instrument or concurrent instruments in writing. In case of such vacancy the Issuer or the Borrower may appoint a temporary Trustee, approved by the Credit Facility Provider, to fill such vacancy; or if such vacancy has continued for 60 days, the Credit Facility Provider may appoint such temporary Trustee, until a successor Trustee shall be appointed in the manner above provided. If no successor has been appointed within 60 days after notice of the resignation or removal is given, the Trustee may petition a court of competent jurisdiction to appoint a successor; and any such temporary Trustee so appointed by the Issuer, the Borrower, the Credit Facility Provider or a court shall immediately and without further acts be superseded by the successor Trustee so appointed. Any successor Trustee or temporary Trustee must have the qualifications provided for in Section 906.

Section 910. Vesting of Trusts in Successor Trustee. Every successor Trustee appointed hereunder shall execute, acknowledge and deliver to its predecessor and also to the Issuer, the Credit Facility Provider and the Borrower an instrument in writing accepting such appointment under this Indenture, and thereupon such successor shall become fully vested with all the trusts, powers, rights, obligations, duties, remedies, immunities and privileges of its predecessor; but such predecessor shall, nevertheless, on the written request of the Issuer, the Credit Facility Provider or its successor and upon its receipt of payment of all outstanding fees, costs and expenses, execute and deliver an instrument transferring to such successor Trustee all the trusts, powers, rights, obligations, duties, remedies, immunities and privileges of such predecessor hereunder; and every predecessor Trustee shall deliver all securities and moneys and documents held by it as Trustee hereunder to its successor. The duties and obligations of the predecessor under this Indenture will then cease and terminate. Should any instrument in writing from the Issuer be required by any predecessor or successor Trustee for more fully and certainly vesting in such successor the trusts, powers, rights, obligations, duties, remedies, immunities and privileges hereby vested in the predecessor, any and all such instruments in writing shall, on request, be executed, acknowledged and delivered by the Issuer.

Section 911. Trust Estate May be Vested in Co-Trustee.

(a) It is the purpose of this Indenture that there shall be no violation of any law of any jurisdiction (including particularly the State) denying or restricting the right of banking corporations or associations to transact business as trustee in such jurisdiction. It is recognized that in case of litigation under this Indenture or the Financing Agreement, and in particular in case of the enforcement of any on default, or in case the Trustee deems that by reason of any present or future law of any jurisdiction it may not exercise any of the powers, rights or remedies herein granted to the Trustee, or take any other action which may be desirable or necessary in connection therewith, it may be necessary or desirable that the Trustee appoint an individual or institution as a co-trustee or separate trustee, and the Trustee is hereby authorized to appoint such co-trustee or separate trustee, with the written consent of the Issuer, the Borrower and the Credit Facility Provider.

(b) In the event that the Trustee appoints an additional individual or institution as co-trustee or separate trustee, each and every remedy, power, right, claim, demand, cause of action, indemnity, protection, immunity, title, interest and lien expressed or intended by this Indenture to be exercised by the Trustee with respect thereto shall be exercisable by such co-trustee or separate trustee but only to the extent necessary to enable such co-trustee or separate trustee to exercise such powers, rights and remedies, and every covenant and obligation necessary to the exercise thereof by such co-trustee or separate trustee shall run to and be enforceable by either of them.

(c) Should any deed, conveyance or instrument in writing from the Issuer be required by the co-trustee or separate trustee so appointed by the Trustee for more fully and certainly vesting in and confirming to him or it such properties, rights, powers, trusts, duties and obligations, any and all such deeds, conveyances and instruments in writing shall, on request, be executed, acknowledged and delivered by the Issuer.

(d) In case any co-trustee or separate trustee shall die, become incapable of acting, resign or be removed, all the properties, rights, powers, trusts, duties and obligations of such co-trustee or separate trustee, so far as permitted by law, shall vest in and be exercised by the Trustee until the appointment of a successor to such co-trustee or separate trustee.

Section 912. Accounting. The Trustee shall render a monthly accounting, for each calendar month, to the Borrower, the Credit Facility Provider and any Bondowner requesting the same at the cost of such Bondowner, and to the Issuer (at its written request), an annual accounting, for each calendar year ended December 31, showing in reasonable detail all financial transactions relating to the Trust Estate during the accounting period and the balance in any funds or accounts created by this Indenture as of the beginning and close of such accounting period.

Section 913. Paying Agents; Bond Registrar; Appointment and Acceptance of Duties; Removal. The Trustee is hereby designated and agrees to act as Paying Agent and as Bond Registrar for and in respect of the Bonds. The Tender Agent shall be the Paying Agent with respect to Tendered Bonds.

Section 914. The Tender Agent.

(a) The Trustee is hereby appointed as the initial Tender Agent for the Bonds and with respect to Tendered Bonds, the Paying Agent, and hereby agrees to carry out its responsibilities described herein. If the Tender Agent is other than the Trustee, the Tender Agent shall signify its acceptance of the duties and obligations imposed upon it hereunder by a written instrument of acceptance delivered to the Issuer, the Credit Facility Provider, the Borrower, the Trustee and the Remarketing Agent, under which the Tender Agent will agree to particularly:

(1) hold all Bonds delivered to it for purchase hereunder as agent and bailee of, and in escrow for the benefit of, the respective Owners which have so delivered such Bonds; until moneys representing the Tender Price of such Bonds shall have been delivered to or for the account of or to the order of such Owners; and

(2) keep such books and records as shall be consistent with prudent industry practice, and make such books and records available for inspection by the other parties.

(b) The parties hereto shall each cooperate to cause the necessary arrangements to be made and to be thereafter continued whereby funds from the sources specified herein will be made available for the purchase of Bonds presented at the Payment Office of the Tender Agent, and to otherwise enable the Tender Agent to carry out its duties hereunder.

(c) The Tender Agent, the Trustee and the Remarketing Agent shall cooperate to the extent necessary to permit the preparation, execution, issuance, authentication and delivery by the Tender Agent of replacement Bonds in connection with the tender and remarketing of Bonds hereunder.

(d) The Issuer, the Trustee and the Borrower acknowledge that, in carrying out its responsibilities hereunder, the Tender Agent shall be acting solely for the benefit of and as agent for the Owners from time to time of the Bonds. No delivery of the Bonds to the Tender Agent or any agent of the Tender Agent or purchase of Bonds by the Tender Agent shall constitute a redemption of the Bonds or any extinguishment of the debt evidenced thereby.

(e) The Tender Agent shall be a trust institution or bank with an office in the State and authorized by law to perform all of the duties imposed upon it by this Indenture and either (i) has at the time of appointment capital and surplus of not less than $50,000,000, (ii) is owned by a company that has at the time of appointment capital and surplus of not less than $50,000,000, or (iii) has assets under corporate trust management of not less than $500,000,000. The Tender Agent may resign and be discharged of the duties and obligation created by this Indenture by giving at least 30 days' notice by mail to the Issuer, the Trustee, the Borrower, the Remarketing Agent, and the Credit Facility Provider; provided, however, that such resignation shall not take effect unless and until a successor Tender Agent shall be appointed by the Borrower with the written consent of the Credit Facility Provider and the successor Tender Agent has accepted its appointment. The Borrower shall use its best efforts to appoint a successor Tender Agent during such 30-day period and in the event a successor Tender Agent has not taken office prior to the expiration of such 30-day period, the Tender Agent may petition a court of applicable jurisdiction to appoint a successor Tender Agent. The Tender Agent may be removed at any time by an instrument signed by the Borrower, with the written consent of the Credit Facility Provider, or the Credit Facility Provider, and filed with the Borrower, the Credit Facility Provider, the Issuer, the Tender Agent, the Remarketing Agent and the Trustee; provided, however, that such removal shall not take effect unless and until a successor Tender Agent shall be appointed by the Borrower with the approval of the Credit Facility Provider, or by the Credit Facility Provider if the Borrower has not made such appointment within 30 days from such filing, and the successor Tender Agent has accepted its appointment. In the event of the resignation or removal of the Tender Agent, the Tender Agent shall deliver any moneys and Bonds held by it to its successor.

Section 915. Notices to Rating Agency. The Trustee shall notify the Rating Agency (until such time as the Rating Agency no longer maintains a rating on the Bonds) in writing as soon as practicable: (i) after the Trustee becomes aware of (1) any expiration, termination or extension of the Credit Facility, (2) any redemption or purchase of all of the Bonds, (3) any change in the Credit Facility, the Financing Agreement or this Indenture, or (4) that the interest portion of the Credit Facility will not be reinstated; (ii) if (1) the Trustee resigns or is removed or a new Trustee is appointed, or (2) the Remarketing Agent resigns

or is removed or a new Remarketing Agent is appointed; (iii) an Alternate Credit Facility is provided, (iv) there is a mandatory tender of all Bonds, (v) there is a call for the redemption of all Bonds; (vi) the lien of this Indenture is released and discharged under Article XII; (vii) the maturity of the Bonds is accelerated under Section 802; or (viii) there is a change in the Interest Mode under Section 204. The Trustee will provide to the Rating Agency any other information reasonably within the scope of the Trustee's duties that the Rating Agency may reasonably request in order to maintain its credit rating on the Bonds.

Section 916. Right of Trustee to Pay Taxes and Other Charges. In case any tax, assessment or governmental or other charge upon any part of the Project is not paid as required herein or in the Financing Agreement, or in case any amount required to be rebated to the United States of America pursuant to the provisions of Section 148(f) of the Code is not paid when due, the Trustee may pay such tax, assessment or governmental charge or rebate amount, without prejudice, however, to any rights of the Trustee or the Bondowners hereunder arising in consequence of such failure; and any amount at any time so paid under this Section, with interest thereon from the date of payment at the Default Rate, shall become an additional obligation secured by this Indenture, and the same shall be given a preference in payment over any payment of principal of, and premium, if any, or interest on the Bonds, and shall be paid by the Borrower as an Additional Payment under Section 3.5 of the Financing Agreement if not otherwise caused to be paid; but the Trustee shall be under no obligation to make any such payment unless it shall have been requested to do so by the Credit Facility Provider or the Owners of at least 25% of the aggregate principal amount of Bonds then Outstanding and shall have been provided adequate funds for the purpose of such payment.

ARTICLE X

SUPPLEMENTAL INDENTURES

Section 1001. Supplemental Indentures Not Requiring Consent of Bondowners. The Issuer and the Trustee may from time to time, with the prior written consent of the Credit Facility Provider and the Borrower, if required pursuant to Section 1003, but without the consent of or notice to any of the Bondowners, enter into a Supplemental Indenture or Supplemental Indentures as shall not be inconsistent with the terms and provisions hereof, so long as the Supplemental Indenture or Supplemental Indentures does not cause the then-current rating on the Bonds to be lowered, for any one or more of the following purposes:

(a) to cure any ambiguity, formal defect or omission in this Indenture;

(b) to grant to or confer upon the Trustee for the benefit of the Bondowners any additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon the Bondowners or the Trustee or either of them;

(c) to subject to this Indenture additional revenues, properties or collateral;

(d) to modify, amend or supplement this Indenture or any indenture supplemental thereto in such manner as to permit the qualification of this Indenture under the Trust Indenture Act of 1939, as then amended, or any similar federal statute hereafter in effect or to permit the qualification of the Bonds for sale under the securities laws of the United States of America or any state of the United States of America;

(e) to evidence the appointment of a co-trustee or successor Trustee;

(f) to make any other change which will become effective on a date on which the Bonds are subject to mandatory tender pursuant to Section 302;

(g) to make any other change which, in the sole judgment of the Trustee, does not materially adversely affect the interests of the Bondowners (in exercising such judgment the Trustee may rely on an Opinion of Counsel);

(h) to make any change which, in the Opinion of Bond Counsel, is necessary to obtain an initial rating on the Bonds from a Rating Agency or to maintain in effect any existing rating from a Rating Agency;

(i) to more precisely identify the Project or to substitute or add additional property thereto;

(j) to conform this Indenture to the Code or other or future applicable federal law concerning tax-exempt obligations; and

(k) to modify, amend or supplement this Indenture in any other respect, including in any manner which would otherwise be described in Section 1002 if (1) notice of the proposed Supplemental Indenture is given to the Bondowners (in the same manner as notices of redemption are to be given) at least 30 days before the effective date of the Supplemental Indenture and (2) the Bondowners have the right to demand purchase of their Bonds pursuant to Section 301 prior to the effective date of the Supplemental Indenture.

Section 1002. Supplemental Indentures Requiring Consent of Bondowners.

(a) Exclusive of Supplemental Indentures covered by Section 1001 and subject to the terms and provisions contained in this Section, and not otherwise, the Owners of not less than a majority in aggregate principal amount of the Bonds Outstanding shall have the right from time to time, with the prior written consent of the Credit Facility Provider and, if required pursuant to Section 1003, the Borrower, anything contained in this Indenture to the contrary notwithstanding, to consent to and approve the execution by the Issuer and the Trustee of any Supplemental Indenture or Supplemental Indentures as shall be deemed necessary and desirable by the Issuer for the purpose of modifying, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in this Indenture or in any Supplemental Indenture; provided, however, that nothing in this Section contained shall permit or be construed as permitting without the consent of the Owners of 100% in aggregate principal amount of the Bonds Outstanding, the Issuer, the Trustee and the Credit Facility Provider, (i) an extension of the maturity of the principal of or the scheduled date of payment of interest on any Bond issued hereunder, or (ii) a reduction in the principal amount, redemption premium or any interest payable on any Bond, or (iii) a privilege or priority of any Bond or Bonds over any other Bond or Bonds, or (iv) a reduction in the aggregate principal amount of Bonds the Owners of which are required for consent to any such Supplemental Indenture, or (v) any modification of the redemption or tender features of the Bonds, or (vi) any change which results in the lowering of the then-current rating on the Bonds.

(b) If at any time the Issuer shall request the Trustee to enter into any such Supplemental Indenture for any of the purposes of this Section and if the Trustee is provided with sufficient indemnity for its expenses, the Trustee shall cause notice of the proposed execution of such Supplemental Indenture to be mailed to the Issuer, each Bondowner and the Credit Facility Provider (and a copy of such proposed Supplemental Indenture shall be mailed with such notice to the Credit Facility Provider). Such notice shall briefly set forth the nature of the proposed Supplemental Indenture and shall state that copies thereof are on file at the Administrative Office of the Trustee for inspection by all Bondowners. If within 60 days or

such longer period as shall be prescribed by the Issuer following the mailing of such notice, the Credit Facility Provider and the Owners of not less than a majority in aggregate principal amount of the Bonds Outstanding at the time of the execution of any such Supplemental Indenture shall have consented to and approved the execution thereof as herein provided, no Owner of any Bond shall have any right to object to any of the terms and provisions contained therein, or the operation thereof, or in any manner to question the propriety of the execution thereof, or to enjoin or restrain the Trustee or the Issuer from executing the same or from taking any action pursuant to the provisions thereof. Upon the execution of any such Supplemental Indenture as in this Section permitted and provided, this Indenture shall be and be deemed to be modified and amended in accordance therewith.

Section 1003. Consent of Borrower to Supplemental Indentures. Anything herein to the contrary notwithstanding, a Supplemental Indenture under this Article which affects any rights or obligations of the Borrower shall not become effective unless and until the Borrower shall have consented in writing to the execution and delivery of the Supplemental Indenture. In this regard, the Trustee shall cause notice of the proposed execution and delivery of the Supplemental Indenture together with a copy of the proposed Supplemental Indenture to be mailed to the Borrower at least 15 days prior to the proposed date of execution and delivery of any such Supplemental Indenture.

Section 1004. Opinion of Bond Counsel. Notwithstanding anything to the contrary in Sections 1001 or 1002, before the Issuer or the Trustee enter into any Supplemental Indenture pursuant to Section 1001 or 1002, there shall have been delivered to the Issuer, the Trustee, the Borrower and the Credit Facility Provider an Opinion of Bond Counsel addressed to them stating that such Supplemental Indenture is authorized or permitted by this Indenture and the Act, complies with their respective terms, will, upon the execution and delivery thereof, be valid and binding upon the Issuer in accordance with its terms and will not cause interest on the Bonds to be includable in gross income for federal income tax purposes.

Section 1005. Notice to the Rating Agency. The Trustee shall send a copy of each Supplemental Indenture executed and delivered pursuant to this Article X to the Rating Agency.

ARTICLE XI

AMENDMENT OF BOND DOCUMENTS AND CREDIT FACILITY

Section 1101. Amendments, Changes or Modifications to Bond Documents and Credit Facility Not Requiring Consent of Bondowners. So long as any amendment, change or modification does not cause the then-current rating on the Bonds to be lowered, the Trustee and the Issuer (if the Issuer is a party to the Bond Document), with the prior written consent of the Credit Facility Provider, may, without the consent of or notice to the Bondowners, consent to any amendment, change or modification of the Bond Documents (other than this Indenture which is governed by Article X) and the Credit Facility, as may be required or deemed advisable:

(i) by the provisions of such documents and this Indenture;

(ii) for the purpose of curing any ambiguity or formal defect or omission in such documents;

(iii) so as to more precisely identify the Project or substitute or add additional property thereto;

(iv) to conform the Bond Documents or the Credit Facility to the Code or other or future applicable Federal law concerning tax-exempt obligations;

(v) in connection with any other change therein which, in the sole judgment of the Trustee, does not materially adversely affect the interests of the Bondowners (in exercising such judgment, the Trustee may rely on an Opinion of Counsel);

(vi) to make any other change which will become effective on a date on which the Bonds are subject to mandatory tender pursuant to Section 302; or

(vii) to modify, amend or supplement the Bond Documents or the Credit Facility in any other respect, including in any manner which would otherwise be described in Section 1102 if (1) notice of the proposed modification, amendment or supplement is given to the Bondowners (in the same manner as notices of redemption are to be given) at least 30 days before the effective date of the change to the Bond Document or the Credit Facility and (2) the Bondowners have the right to demand purchase of their Bonds pursuant to Section 301 prior to the effective date of the change to the Bond Document or the Credit Facility.

Section 1102. Amendments, Changes or Modifications to the Bond Documents and Credit Facility Requiring Consent of Bondowners. Except as provided for in Section 1101, the Trustee and the Issuer (if the Issuer is a party to the Bond Document) shall not consent to any amendment, change or modification of the Bond Documents (other than this Indenture which is governed by Article X) or the Credit Facility without the mailing of notice and the obtaining of the written consent of the Credit Facility Provider and the Owners of not less than a majority in aggregate principal amount of the Bonds Outstanding given and obtained as provided in Section 1002; provided, however, that no such amendment, change or modification to such documents shall be entered into without the consent of the Owners of 100% in aggregate principal amount of the Bonds Outstanding, the Issuer, the Trustee and the Credit Facility Provider, which permits, or results in, (a) any change in the timing of payments under or the amounts required to be paid under the Credit Facility, or (b) any other change resulting in the reduction, downgrade or qualification of the then-current credit rating on the Bonds (other than in connection with the delivery of an Alternate Credit Facility under Section 706). If at any time the Issuer, the Credit Facility Provider and the Borrower shall request the consent of the Trustee to any such proposed amendment, change or modification to such documents, the Trustee shall cause notice of such proposed amendment, change or modification to such documents to be given in the same manner as provided by Section 1002 with respect to Supplemental Indentures. Such notice shall briefly set forth the nature of such proposed amendment, change or modification to such documents and shall state that copies of the same are on file at the Administrative Office of the Trustee for inspection by all Bondowners and a copy of such proposed amendment, change or modification to such document shall be mailed with such notice to the Issuer and the Credit Facility Provider. The Trustee shall not be obligated to consent to any amendment, change or modification that, in the reasonable judgment of the Trustee, is prejudicial to the rights of the Trustee.

Section 1103. Opinion of Bond Counsel. Anything to the contrary in Sections 1101 or 1102 notwithstanding, before the Trustee shall consent to any amendment of the Bond Documents or the Credit Facility there shall have been delivered to the Issuer, the Trustee, the Borrower and the Credit Facility Provider (i) an Opinion of Bond Counsel addressed to them stating that such amendment is authorized or permitted by this Indenture, the Act and the applicable Bond Document, complies with the respective terms of the Bond Document being amended, will, upon the execution and delivery thereof, be valid and binding upon the Issuer (if the Issuer is a party thereto) in accordance with its terms and will not cause interest on the Bonds to be includable in gross income for federal income tax purposes, and (ii) an Opinion or Opinions of Counsel that the amendment is authorized by the Credit Facility (if applicable) and will, upon execution

and delivery, be valid and binding upon the applicable party to the amendment (other than the Issuer or the Trustee) in accordance with its terms.

Section 1104. Notice to Rating Agency. The Trustee shall send a copy of each amendment, change or modification to the Bond Documents or the Credit Facility pursuant to this Article XI to the Rating Agency.

ARTICLE XII

SATISFACTION AND DISCHARGE OF INDENTURE

Section 1201. Defeasance.

(a) If (i)(A) the Trustee has received a written notice from each Rating Agency which has a current rating on the Bonds, that actions taken under this Section 1201 would not result in a reduction or withdrawal of the current Rating Agency rating on the Bonds or (B) if the Bonds are not then rated, the Trustee has received an unqualified Opinion of Counsel, expert on bankruptcy matters and acceptable to the Trustee, to the effect that payment to the Owners from moneys deposited under this Section would not be avoidable as preferential payments under Section 544, 547 or 550 of the Bankruptcy Code in the event of the filing of a petition thereunder by or against the Issuer or the Borrower, and (ii) the Issuer shall pay or provide for the payment (other than by the Credit Facility Provider) of any Outstanding Bond in any one or more of the following ways:

(1) by paying or causing to be paid, from Available Moneys, the principal of (including redemption premium, if any) and interest on such Bonds, as and when the same become due and payable;

(2) by depositing with the Trustee, in trust and irrevocably setting aside exclusively for such payment, at or before maturity, Available Moneys in an amount sufficient to pay or redeem (when redeemable) Bonds (including the payment of redemption premium, if any, and interest payable on such Bonds to the maturity or redemption date thereof), provided that such moneys, if invested, shall be invested in Government Securities which are not subject to redemption and payment prior to maturity except at the option of the holder thereof ("Non-Callable Government Securities") in an amount and with maturities, without consideration of any income or increment to accrue thereon, sufficient to pay or redeem (when redeemable) and discharge the indebtedness on such Bonds at or before their respective maturity dates, to pay the interest thereon as it comes due; and delivery to the Issuer and the Trustee simultaneously with such deposit an Opinion of Bond Counsel to the effect that providing for the payment of the Bonds as aforesaid will not cause the interest on the Bonds to be included in gross income for federal income tax purposes;

(3) by delivering to the Trustee, for cancellation by it, such Bonds; or

(4) by depositing with the Trustee, in trust, Non-Callable Government Securities acquired with Available Moneys in such amounts as are certified to the Trustee by a written report of an independent certified public accountant to be fully sufficient, together with other Available Moneys deposited therein and together with the income or increment to accrue thereon, without consideration of any reinvestment thereof, to pay or redeem (when redeemable) and discharge the indebtedness on such Bonds at or before their respective maturity dates, to pay the interest thereon as it comes due; and delivery to the Issuer and the Trustee simultaneously with such deposit an Opinion of Bond Counsel to the effect that providing for the payment of the Bonds as aforesaid

will not cause the interest on the Bonds to be included in gross income for federal income tax purposes;

then such Bond or Bonds shall be deemed to be paid within the meaning of this Article and shall cease to be entitled to any lien, benefit or security under this Indenture, except for the purposes of any such payment from such moneys or Government Securities and except for the purposes of registration, transfer and exchange of such Bonds. If all the Bonds are not to be redeemed within 30 days, the Trustee shall mail, as soon as practicable, in the manner prescribed by Article IV, a notice to the Owners of such Bonds that the deposit required by (2) or (4) above has been made with the Trustee and that said Bonds are deemed to have been paid in accordance with this Article and stating the maturity or redemption date upon which moneys are to be available for the payment of the principal of or redemption price, if applicable, on said Bonds as specified in (2) or (4) above.

(b) Notwithstanding the foregoing, in the case of the Bonds which by their terms may be redeemed prior to the stated maturities thereof, no deposit under subparagraph (a)(2) or (4) shall be deemed a payment of such Bonds as aforesaid until, as to all such Bonds which are to be redeemed prior to their respective stated maturities and as to Bonds subject to interest rate adjustment prior to maturity which shall be redeemed prior to the next Interest Mode Adjustment Date, proper notice of such redemption shall have been given in accordance with Article IV or irrevocable instructions shall have been given to the Trustee to give such notice at the time when such notice may be given pursuant to the provisions of this Indenture.

(c) Notwithstanding any provisions of any other Section of this Indenture which may be contrary to the provisions of this Section, all Available Moneys or Non-Callable Government Securities set aside and held in trust pursuant to the provisions of this Section for the payment of Bonds (including redemption premium thereon, if any, and interest) shall be applied to and used solely for the payment of the particular Bonds (including redemption premium thereon, if any, and interest) with respect to which such Available Moneys and Non-Callable Government Securities have been so set aside in trust.

(d) The Issuer may at any time surrender to the Trustee for cancellation by it any Bond previously authenticated and delivered which the Issuer may have acquired in any manner whatsoever, and such Bonds, upon such surrender and cancellation, shall be deemed to be paid and retired.

Section 1202. Satisfaction and Discharge of Indenture.

(a) If the Issuer shall pay the principal of, redemption premium, if any, and interest on all of the Bonds Outstanding in accordance with their terms, or shall provide for such payment as provided in Section 1201, and if the Issuer shall also pay or cause to be paid all other sums payable hereunder by the Issuer, then and in that case this Indenture and the estate and rights granted hereunder shall cease, terminate and become null and void, and thereupon the Trustee shall, upon Written Request of the Issuer, and an Opinion of Counsel, each stating that in the opinion of the signers all conditions precedent to the satisfaction and discharge of this Indenture have been complied with, forthwith execute proper instruments as may be reasonably requested by the Issuer acknowledging satisfaction of and discharging this Indenture and the lien hereof; provided that, with respect to Bonds for which payment has been provided at the time but which has not in fact been paid, the liability of the Issuer in respect of such Bonds shall continue provided that the Owners thereof shall thereafter be entitled to payment only out of the moneys or Government Securities deposited with the Trustee as provided in this Article. The satisfaction and discharge of this Indenture shall be without prejudice to the rights of the Trustee to charge and be reimbursed by the Borrower for any expenditures which it may thereafter incur in connection herewith.

(b) Notwithstanding the release and discharge of the lien of this Indenture as provided above, those provisions of this Indenture relating to the maturity of the Bonds, interest payments and dates thereof,

tender and purchase provisions, exchange and transfer of Bonds, replacement of mutilated, destroyed, lost, stolen or Undelivered Bonds, the safekeeping and cancellation of Bonds, nonpresentment of Bonds, the holding of moneys in trust, redemption of Bonds and the duties of the Trustee, the Bond Registrar, the Paying Agent and the Remarketing Agent in connection with all of the foregoing, and the rights of the Trustee under Article IX remain in effect and shall be binding upon the Trustee and the Bondowners.

(c) The Issuer is hereby authorized to accept a certificate by the Trustee that the whole amount of the principal, redemption premium, if any, and interest so due and payable upon all of the Bonds then Outstanding has been paid or such payment provided for in accordance with Section 1201 as evidence of satisfaction of this Indenture, and upon receipt thereof shall cancel and erase the inscription of this Indenture from its records.

(d) All moneys, funds, securities or other property remaining on deposit in all Funds or Accounts established under this Indenture (other than said moneys or Government Securities or other investments deposited in trust as above provided) shall, upon the full satisfaction of this Indenture, forthwith be transferred, paid over and distributed to the Credit Facility Provider and the Borrower in the manner provided in Section 507.

(e) If the amount of interest is not determinable for any period, interest will be calculated (on a preliminary basis) at the applicable Maximum Rate.

Section 1203. When Refunding is Not Permitted. None of the Bonds Outstanding hereunder may be refunded nor may this Indenture be discharged if under any circumstances the interest on the Bonds would become includable in gross income for federal income tax purposes. In determining the foregoing, the Trustee may rely upon an Opinion of Bond Counsel (which opinion may be based upon a ruling or rulings of the Internal Revenue Service) to the effect that the interest on the Bonds proposed to be refunded will not be includable in gross income for federal income tax purposes, notwithstanding the satisfaction and discharge of this Indenture.

ARTICLE XIII

MISCELLANEOUS PROVISIONS

Section 1301. Consents and Other Instruments by Bondowners.

(a) Any consent, request, direction, approval, objection or other instrument required by this Indenture to be signed and executed by the Bondowners may be in any number of concurrent writings of similar tenor and may be signed or executed by such Bondowners in person or by agent appointed in writing. Proof of the execution of any such instrument or of the writing appointing any such agent and of the ownership of Bonds (except for assignment of ownership of a Bond), if made in the following manner, shall be sufficient for any of the purposes of this Indenture except for the assignment of the ownership of any Bond which proof shall be made by signature guaranty in form satisfactory to the Trustee, and shall be conclusive in favor of the Trustee with regard to any action taken, suffered or omitted under any such instrument, namely:

(1) the fact and date of the execution by any person of any such instrument may be proved by the certificate of any officer in any jurisdiction who by law has power to take acknowledgments within such jurisdiction that the person signing such instrument acknowledged before him the execution thereof, or by affidavit of any witness to such execution; and

(2) the fact of ownership of Bonds and the amount or amounts, numbers and other identification of such Bonds, and the date of holding the same shall be proved by the Bond Register.

(b) In determining whether the Owners of the requisite principal amount of Bonds Outstanding have given any request, demand, authorization, direction, notice, consent or waiver under this Indenture, unless all Bonds are owned by the Borrower, Bonds owned by, or held by or for the account of, the Issuer or the Borrower and all Borrower Bonds shall be disregarded and deemed not to be Outstanding under this Indenture, except that, in determining whether the Trustee shall be protected in relying upon any such request, demand, authorization, direction, notice, consent or waiver, only Bonds for which the Trustee has received written notice of such ownership shall be so disregarded. Notwithstanding the foregoing, Bonds so owned which have been pledged in good faith shall not be disregarded as aforesaid if the pledgee establishes to the satisfaction of the Trustee the pledgee's right so to act with respect to such Bonds and that the pledgee is not the Issuer or the Borrower.

Section 1302. Notices.

(a) All notices, certificates or other communications under this Indenture shall be in writing (except as otherwise expressly provided herein), shall be deemed to have been properly given when delivered by hand delivery, telegram or facsimile or served by depositing the same with the United States Postal Service, or any official successor thereto, designated as registered or certified mail, return receipt requested, bearing adequate postage, or delivery by reputable private carrier such as Federal Express, United Parcel Service, Airborne, DHL or similar overnight delivery service, and addressed as hereinafter provided. Notices, except to the Trustee, shall be deemed given when mailed or delivered to the private carrier as provided herein. Notices to the Trustee and the Tender Agent shall be deemed given only when received by the Trustee or the Tender Agent, as applicable. All parties listed below may, by written notice given to the others, designate any address or addresses to which notices, certificates or other communications to them shall be sent when required as contemplated by this Indenture. Any notice, certificate, report, financial statement or other communication properly provided by legal counsel on behalf of any party hereunder shall be deemed properly provided by the party represented by such counsel. Until otherwise provided by the respective parties, all notices, certificates and communications to each of them shall be addressed as follows:

(1) To the Issuer:

City of Mission, Kansas
City Hall
6090 Woodson
Mission, KS 66205
Attention: City Clerk
Facsimile: (913) 722-1415

(2) To the Trustee and Tender Agent:

Administrative Office:

UMB Bank, N.A.
2 South Broadway, Suite 600
St. Louis, Missouri 63102
Attention: Corporate Trust Department
Facsimile: (314) 612-8499

Payment Office:

UMB Bank, N.A.
928 Grand Boulevard, 6th Floor
Kansas City, Missouri 64106
Attention: Corporate Trust Department
Facsimile: (816) 860-4974

(3) To the Credit Facility Provider:

U.S. Bank National Association
120 West 12th Street, Suite 510
Kansas City, Missouri 64105
Attention: Loan Administration Manager
Facsimile: [_____]

with a copy to:

Stinson Morrison Hecker LLP
1201 Walnut, Suite 2900
Kansas City, Missouri 64106
Attention: Donald J. Kirkpatrick
Facsimile: (816) 412-1223

(4) To the Remarketing Agent:

Stern Brothers & Co.
1044 Main Street, Suite 900
Kansas City, Missouri 64105
Attention: Municipal Bond Department
Facsimile: (816) 842-2789

(5) To the Borrower:

Whispering Falls, L.L.C.
c/o KC Venture Group, LLC
2020 West 89th Street, Suite 320
Leawood, Kansas 66206
Attention: Paul Fingersh
Facsimile: (913) 652-6596

(6) To the Rating Agency:

Standard & Poor's Ratings Services
55 Water Street, 41st Floor
New York, New York 10041
Attention: LOC Surveillance
Email address: nyloc@standardandpoors.com
Facsimile: (212) 438-2157

Notice to Bondowners will be given by first class mail, postage prepaid, to the addresses then shown on the Bond Register.

(b) All notices given by first-class mail, certified or registered mail, postage prepaid, or delivered by courier or overnight delivery service as aforesaid shall be deemed duly given as of the date they are so mailed, delivered or sent by telegram, telecopy or telex or other similar communication; provided that notices to the Trustee shall be deemed given as of the date they are received by the Trustee. A duplicate copy of each notice, certificate or other communication given hereunder by either the Issuer or the Trustee to the other shall also be given to the Borrower, the Remarketing Agent and the Credit Facility Provider. In the event of notice to any party other than the Issuer or the Trustee, a copy of the notice shall be provided to the Trustee, the Borrower, the Remarketing Agent and the Credit Facility Provider. In addition, the Trustee shall send to the Issuer, the Credit Facility Provider, the Borrower, the Tender Agent and the Remarketing Agent a copy of each notice sent to the Bondowners.

(c) The Issuer, the Trustee, the Tender Agent, the Borrower, the Credit Facility Provider and the Remarketing Agent may from time to time designate, by notice given hereunder to the others, such other address to which subsequent notices, certificates or other communications shall be sent.

Section 1303. Limitation of Rights Under Indenture; No Pecuniary Liability.

(a) With the exception of rights herein expressly conferred and as otherwise provided in this Section, nothing expressed or mentioned in or to be implied from this Indenture or the Bonds is intended or shall be construed to give any person other than the parties hereto, the Credit Facility Provider, the Borrower and the Owners of the Bonds, any right, remedy or claim under or in respect to this Indenture. This Indenture and all of the covenants, conditions and provisions hereof are, except as otherwise provided in this Section, intended to be and are for the sole and exclusive benefit of the parties hereto, the Credit Facility Provider and the Owners of the Bonds as herein provided.

(b) The Trustee and the Issuer acknowledge and agree that each of the Credit Facility Provider, the Borrower, the Remarketing Agent and the Tender Agent is a third-party beneficiary of those provisions herein which relate to the making of payments or giving of notice to or consents by or following the directions of or the performance of other acts to benefit it, and all such provisions shall be enforceable by such parties, and in addition acknowledge and agree that the Credit Facility Provider shall for all purposes hereunder be treated as the Owner of Pledged Bonds.

(c) No provision, representation, covenant or agreement contained in this Indenture or the Financing Agreement, the Lease, the Sublease, the Bonds, the Tax Agreement, or any obligation herein or therein imposed upon the Issuer, or the breach thereof, shall constitute or give rise to or impose upon the Issuer a pecuniary liability (except to the extent of any loan repayments, revenues and receipts derived by the Issuer pursuant to the Financing Agreement). No provision hereof shall be construed to impose a charge against the general credit of the Issuer or any personal or pecuniary liability upon any present or future officer, agent or employee of the Issuer, and all such liability is hereby expressly waived and released as a condition of and consideration for the execution of this Indenture and the issuance of the Bonds. With respect to any action for specific performance or any action in the nature of a prohibitory or mandatory injunction, neither the Issuer nor any of its officers, officials, employees or agents shall be liable for any action taken by the Issuer, or for any failure to take action under this Indenture, the Financing Agreement, the Bonds or the Tax Agreement.

(d) Anything in this Indenture to the contrary notwithstanding, it is expressly understood by the Trustee that (i) the Issuer may rely exclusively on the truth and accuracy of any certificate, opinion,

notice or other instrument furnished to the Issuer by the Trustee or the Bondowners as to the existence of any fact or state of affairs; (ii) the Issuer shall not be under any obligation under this Indenture to perform any record keeping or to provide any legal services; and (iii) none of the provisions of this Indenture shall require the Issuer to expend or risk its own funds or otherwise to incur financial liability in the performance of any of its duties or in the exercise of any of its rights or powers under this Indenture unless the Issuer has first been adequately indemnified to its satisfaction against the costs, expenses and liability which may be incurred thereby. In the Financing Agreement the Borrower has agreed to pay the costs and expenses of the Issuer and to indemnify the Issuer for any liability that may be incurred by the Issuer under this Indenture.

Section 1304. Suspension of Mail Service. If, because of the temporary or permanent suspension of mail service or for any other reason, it is impossible or impractical to mail any notice in the manner herein provided, then such delivery of notice in lieu thereof as shall be made with the approval of the Trustee shall constitute a sufficient notice.

Section 1305. Business Days. If any date for the payment of principal of, or redemption premium, if any, or interest on the Bonds or the taking of any other action hereunder is not a Business Day, then such payment shall be due, or such action shall be taken, on the first Business Day thereafter with the same force and effect as if made on the date fixed for payment or performance.

Section 1306. Immunity of Officers and Employees of Issuer. No recourse shall be had for the payment of the principal of or redemption premium, if any, or interest on any of the Bonds, or for any claim based thereon or upon any obligation, covenant or agreement contained in this Indenture or any other document to which the Issuer is a party, against any past, present or future officer, employee or agent of the Issuer, or of any successor public corporation or political subdivision, as such, either directly or through the Issuer or any successor public corporation or political subdivision, under any rule of law or equity, statute or constitution, or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such officers, employees or agents as such is hereby expressly waived and released as a condition of and consideration for the execution of this Indenture and the issuance of such Bonds.

Section 1307. Credit Facility Provider's Remedial Rights. The Issuer and the Trustee on behalf of the Bondowners hereby acknowledge and agree that should the Credit Facility Provider exercise certain of its remedial rights under the Bond Documents, the Credit Facility Provider (or an affiliate or designee thereof) may become successor in interest to the Borrower under the Financing Agreement. No such exercise by the Credit Facility Provider (or an affiliate or designee thereof) of the Credit Facility Provider's rights under the Bond Documents or as successor to the interest of the Borrower under the Financing Agreement shall require, as a condition precedent, either (i) the further consent of the Issuer, the Trustee or the Bondowners, or (ii) the acceleration of the Bonds (unless the Credit Facility Provider elects such in its sole discretion).

Section 1308. Severability. If any provision of this Indenture shall be held or deemed to be invalid, inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions or in all jurisdictions, or in all cases because it conflicts with any other provision or provisions hereof or any constitution or statute or rule of public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstances, or of rendering any other provision or provisions herein contained invalid, inoperative or unenforceable to any extent whatever. The invalidity of any one or more phrases, sentences, clauses or Sections contained in this Indenture shall not affect the remaining portions of this Indenture, or any part thereof.

Section 1309. Execution in Counterparts. This Indenture may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 1310. Electronic Transactions. The transactions described in this Indenture and the other Bond Documents may be conducted and related documents may be stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law. Unless otherwise specifically instructed in an Opinion of Bond Counsel or to the extent otherwise provided in this Indenture, the Trustee shall retain and maintain these records until three years following the final maturity of (i) the Bonds or (ii) any obligation issued to refund the Bonds. Any records maintained electronically must comply with Section 4.01 of Revenue Procedure 97-22.

Section 1311. Governing Law. This Indenture shall be governed exclusively by and construed in accordance with the applicable laws of the State.

[*remainder of this page intentionally left blank*]

IN WITNESS WHEREOF, the Issuer has caused this Indenture to be signed in its name by its authorized officer, and the Trustee has caused this Indenture to be signed in its name by an authorized officer or signatory, all as of the day and year first above written.

CITY OF MISSION, KANSAS

By _____
Name: Steve Schowengerdt
Title: Mayor

(SEAL)

Attest:

_____
Name: Martha Sumrall
Title: City Clerk

UMB BANK, N.A., as Trustee

By _____
Name: _____
Trustee: _____

EXHIBIT A

BOND FORM

[The following paragraph shall be used as a heading on the Bonds during the period that the provisions of Section 210(a) and (b) are applicable to the Bonds]

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York Corporation ("DTC"), to the Issuer or its agent for registration of transfer, exchange or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

THIS BOND AND THE PREMIUM (IF ANY) AND INTEREST ON IT ARE LIMITED OBLIGATIONS OF THE CITY OF MISSION, KANSAS, ISSUED PURSUANT TO K.S.A. 12-1740 TO 12-1749D AND K.S.A. 10-116A, AS AMENDED AND SUPPLEMENTED. THE PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST ON THE BONDS ARE PAYABLE SOLELY FROM THE TRUST ESTATE UNDER THE INDENTURE. THIS BOND AND THE INTEREST THEREON SHALL NOT CONSTITUTE A DEBT OF THE CITY OF MISSION, KANSAS, THE **STATE OF KANSAS OR ANY MUNICIPAL COPORATION THEREOF AND ARE NOT PAYABLE IN ANY MANNER BY TAXATION. THE BONDS DO NOT CONSTITUTE AN INDEBTEDNESS WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY DEBT LIMITATION OR RESTRICTION.**

REGISTERED
NO. R-

REGISTERED
$_____

UNITED STATES OF AMERICA
STATE OF KANSAS

CITY OF MISSION, KANSAS
MULTIFAMILY HOUSING REVENUE REFUNDING BOND
(THE FALLS APARTMENTS PROJECT)
SERIES 1999

Interest Rate:	Maturity Date:	Dated Date:	CUSIP:
Variable			

Registered Owner: CEDE & CO.

Principal Amount: Dollars

THIS BOND IS SUBJECT TO MANDATORY TENDER FOR PURCHASE AT THE TIMES AND IN THE MANNER HEREINAFTER DESCRIBED, AND MUST BE SO TENDERED OR WILL BE DEEMED TO HAVE BEEN SO TENDERED UNDER CERTAIN CIRCUMSTANCES DESCRIBED HEREIN.

The City of Mission, Kansas (the "Issuer"), a municipal corporation and political subdivision organized and existing under the laws of the State of Kansas (the "State") exercising essential governmental functions, for value received hereby acknowledges itself obligated to, and promises to pay, the Registered Owner identified above, or registered assigns, but only out of the sources pledged for that purpose as hereinafter provided, and not otherwise, on the Maturity Date set forth above, or upon prior redemption, the Principal Amount set forth above and interest thereon from the most recent Interest Payment Date (as hereinafter defined) to which interest has been paid or for which due provision has been made or, if no interest has been paid, from the Dated Date set forth above, at the annual interest rate determined as set forth herein, until the Issuer's obligation with respect to payment of said Principal Amount is discharged.

Principal of, redemption premium, if any, and interest on this Bond are payable in any coin or currency of the United States of America which, at the respective dates of payment thereof, is legal tender for the payment of public and private debts, and such principal and premium, if any, on this Bond shall be payable by check or draft at the payment office of UMB Bank, N.A., as trustee (the "Trustee"), and, with respect to Tender Price, at the payment office of UMB Bank, N.A., as tender agent (the "Tender Agent"), in Kansas City, Missouri, upon presentation and surrender of this Bond. Payment of interest on this Bond will be made by check or draft of the Trustee mailed to the person in whose name this Bond is registered on the Bond Register as of the close of business of the Trustee on the Record Date for such Interest Payment Date, except that interest not duly paid or provided for when due will be payable to the person in whose name this Bond is registered at the close of business on the Business Day immediately preceding the date of payment of such defaulted interest as provided for in the hereinafter referred to Indenture. In the case of an interest payment to any Owner of $1,000,000 or more in aggregate principal amount of Bonds as of the close of business of the Trustee on the Record Date for a particular Interest Payment Date or in the case of the purchase from an Owner of $1,000,000 or more in aggregate principal amount of Bonds on the Tender Date, payment of interest or the Tender Price, as applicable, is payable by electronic transfer of immediately available federal funds pursuant to the written instructions from any Owner of $1,000,000 or more in aggregate principal amount of Bonds. The electronic transfer instructions must describe the name, address and ABA routing number of the bank (located in the continental United States) and the account number and acknowledge an electronic transfer fee payable by the Owner. Written notice must be given by such Owner to the Trustee not less than 15 days prior to such Record Date and regarding payment of the Tender Price, which written notice accompanies such Owner's Notice of Election to Tender Bonds.

THIS BOND AND THE PREMIUM (IF ANY) AND INTEREST ON IT ARE LIMITED OBLIGATIONS OF THE ISSUER, ISSUED UNDER K.S.A. 12-1740 TO 12-1749D AND K.S.A. 10-116A, AS AMENDED AND SUPPLEMENTED. THE PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST ON THE BONDS ARE PAYABLE SOLELY FROM THE TRUST ESTATE UNDER THE INDENTURE. THIS BOND AND THE INTEREST THEREON SHALL NOT CONSTITUTE A DEBT OF THE ISSUER, THE STATE OR ANY MUNICIPAL CORPORATION THEREOF AND ARE NOT PAYABLE IN ANY MANNER BY TAXATION. THE BONDS DO NOT **CONSTITUTE AN INDEBTEDNESS WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY DEBT LIMITATION OR RESTRICTION.**

No recourse shall be had for the payment of the principal of, or premium, if any, or interest on, any of the Bonds or for any claim based thereon or upon any obligation, provision, covenant or agreement contained in the Indenture, against any past, present or future officer, official, employee or agent of the Issuer, or any officer, official, employee or agent of any successor to the Issuer, as such, either directly or through the Issuer or any successor to the Issuer, under any rule of law or equity, statute or constitution or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such officer, official, employee or agent as such is hereby expressly waived and released as a condition of and in consideration for the execution of the Indenture and the issuance of any of the Bonds.

CERTAIN DEFINITIONS

Unless otherwise defined herein, capitalized words and terms used in this Bond shall have the meanings ascribed to such terms in the Amended and Restated Trust Indenture dated as of March 1, 2016 (the "Indenture"), by and between the Issuer and the Trustee. In addition, the following words and terms as used in this Bond shall have the following meanings:

"Alternate Credit Facility" means any alternate credit facility designated and qualified as such and provided in accordance with the Indenture.

"Alternate Credit Facility Date" means a Business Day on or prior to the Termination Date on which the Borrower has complied with all requirements of the Indenture regarding the substitution of an Alternate Credit Facility for the Credit Facility then in effect.

"Annual Mode" means an Interest Mode during which the interest rate on the Bonds is determined at twelve month intervals, except that the first period will be from the Interest Mode Adjustment Date to, but not including, the next Rate Adjustment Date.

"Authorized Denominations" means (i) in the case of Bonds in a Weekly Mode or Monthly Mode, $100,000 and any integral multiple of $5,000 in excess thereof; (ii) in the case of Bonds in a Semiannual Mode, Annual Mode or Multiyear Mode, $5,000 or any integral multiple thereof, provided that if the Credit Facility is not exempt from registration under the Securities Act of 1933, as amended, and has not been registered thereunder then the Authorized Denomination shall be $100,000 and any integral multiple of $5,000 in excess thereof; or (iii) in the case of a Bond which is a Pledged Bond, $5,000 or any integral multiple thereof.

"Bond Registrar" means the Trustee, when acting as such.

"Business Day" means a day which is not a Saturday, Sunday or any other day on which banking institutions in New York, New York, or the city or cities in which the Administrative Office or Payment Office of the Trustee, or the Administrative Office or Payment Office of the Tender Agent, or principal office of the Remarketing Agent or the Credit Facility Provider is located, are required or authorized to close.

"Completion Date" means the date the Borrower, pursuant to the Financing Agreement, delivers to the Trustee, a certificate of an Authorized Borrower Representative that the rehabilitation of the Project has been completed.

"Credit Facility Provider" means initially U.S. Bank National Association, a national banking association, and any provider or providers of an Alternate Credit Facility.

"Credit Facility" means (i) initially the irrevocable direct-pay letter of credit issued by U.S. Bank National Association, and (ii) thereafter any Alternate Credit Facility issued in addition to or in substitution for the Credit Facility then in effect, as the same may be amended, supplemented, extended or renewed from time to time in accordance with the Financing Agreement and the Indenture.

"Credit Facility Agreement" means the Application for Letter of Credit and Reimbursement Agreement dated as of March 1, 2016, between the Borrower and the Credit Facility Provider, as from time to time amended and supplemented in accordance with its provisions, and any similar agreement or agreements with respect to the issuance of an Alternate Credit Facility.

"Guarantor" means NRES Holdings, LLC, a Delaware limited liability company, or any other guarantor or guarantors as required under the Credit Facility Agreement from time to time.

"Guaranty Agreement" means the Guaranty Agreement dated as of March 1, 2016, executed by NRES Holdings, LLC, and any other Guaranty Agreement executed by the applicable Guarantor or Guarantors for the benefit of the Credit Enhancer, each as from time to time amended and supplemented in accordance with its terms, collectively, the "Guaranty Agreements."

"Immediate Notice" means notice by telephone, telegram, telex, telecopier or other telecommunication device to such phone numbers or addresses as are specified in the Indenture or such other phone number or address as the addressee shall have directed in writing, promptly followed by written notice by first-class mail postage prepaid to such addresses.

"Interest Mode" means a period of time relating to the frequency with which the interest rate on the Bonds is determined pursuant to the Indenture, which Interest Mode may be a Weekly Mode, a Monthly Mode, a Semiannual Mode, an Annual Mode or a Multiyear Mode.

"Interest Mode Adjustment Date" means a date on which the Interest Mode of the Bonds is changed from one Interest Mode to a different Interest Mode, and such date shall be an Interest Payment Date.

"Interest Mode Adjustment Notice" means the notice of a new Interest Mode with respect to any Bonds in accordance with the Indenture.

"Interest Payment Date" means the date on which an interest installment is required to be paid on the Bonds to the Owners thereof, (i) with respect to all Bonds other than Pledged Bonds, (1) as to any Weekly Mode or Monthly Mode, the first Business Day of each month; (2) as to any Semiannual Mode, Annual Mode or Multiyear Mode, each June 1 and December 1, commencing with the first June 1 or December 1 which is at least 60 days after the Interest Mode Adjustment Date; (3) an Interest Mode Adjustment Date; and (4) an Alternate Credit Facility Date; and (ii) with respect to Pledged Bonds, the first Business Day of each calendar month and the date of sale of Pledged Bonds.

"Interest Period" means the period from and including each Interest Payment Date for an Interest Mode to and including the day immediately preceding the following Interest Payment Date for such Interest Mode, except that the first Interest Period shall be the period from and including the date of original delivery of the Bonds to and including the day immediately preceding the first Interest Payment Date for the Bonds.

"Mandatory Purchase Date" means each date designated by the Credit Facility Provider for purchase of the Bonds in accordance with the Indenture.

"Maximum Rate" means the maximum rate set forth in the Credit Facility used to compute the interest component of the Credit Facility, but in no event higher than 15%.

"Monthly Mode" means an Interest Mode during which the interest rate on the Bonds is determined in monthly intervals, except that the first period will be from the Interest Mode Adjustment Date to, but not including, the next Rate Adjustment Date.

"Multiyear Mode" means an Interest Mode during which the interest rate on the Bonds is determined at intervals of integral (greater than one) multiples of twelve months (except that the first period will be from the Interest Mode Adjustment Date to, but not including, the next Rate Adjustment Date) or is fixed to the final maturity of the Bonds.

"Notice of Election to Tender Bonds" means the Notice of Election to Tender Bonds in substantially the form attached to the Indenture delivered by a Bondowner to the Tender Agent which contain a demand for the purchase of Bonds on the Tender Date.

"Rate Adjustment Date" means the date as of which the interest rate determined for an Interest Mode shall be effective, which (i) for the Weekly Mode shall be Thursday of each week (whether or not a Business Day); (ii) for the Monthly Mode shall be the first Business Day of each month; (iii) for the Semiannual Mode shall be June 1 and December 1; (iv) for the Annual Mode or a Multiyear Mode shall be June 1; and (v) for any Interest Mode, shall be the Interest Mode Adjustment Date.

"Rate Determination Date" means no later than 4:00 p.m., New York Time, on the Business Day immediately preceding a Rate Adjustment Date during a Weekly Mode or a Monthly Mode, and on a Business Day which is at least one Business Day immediately preceding a Rate Adjustment Date during a Semiannual Mode, Annual Mode or Multiyear Mode.

"Rate Period" means the period from a Rate Adjustment Date to, but not including, the next Rate Adjustment Date.

"Record Date" means, with respect to Bonds in a Semiannual Mode, an Annual Mode or a Multiyear Mode, the fifteenth calendar day, whether or not a Business Day of the month, preceding such Interest Payment Date, and, with respect to Bonds in a Weekly Mode or Monthly Mode, the Business Day immediately preceding such Interest Payment Date.

"Semiannual Mode" means an Interest Mode during which the interest rate on the Bonds is determined at six-month intervals, except that the first period will be from the Interest Mode Adjustment Date to, but not including, the next Rate Adjustment Date.

"Tender Agent" means initially the Trustee and any successor tender agent appointed pursuant to the Indenture. The Tender Agent shall act as Paying Agent as to Tendered Bonds.

"Tender Date" means (a) each date designated by a Bondowner for purchase of any Bonds in accordance with the provisions of the Indenture, and (b) each date on which Bonds are required to be tendered in accordance with the provisions of the Indenture, including any Mandatory Purchase Date, whether or not such Bonds are actually tendered.

"Tender Price" means 100% of the principal amount of any Tendered Bond plus interest accrued and unpaid thereon to, but not including, the Tender Date.

"Tendered Bonds" means (a) any Bonds tendered by a Bondowner for purchase pursuant to the optional tender provisions of the Indenture, and (b) any Bonds required to be tendered for purchase pursuant to the mandatory tender provisions of the Indenture, in each case whether or not such Bonds are actually tendered.

"Termination Date" means (i) if the Credit Facility is not a letter of credit, the maturity or expiration date of the Credit Facility or, if such day is not a Business Day, the next preceding Business Day, or (ii) if the Credit Facility is a letter of credit, the last Interest Payment Date which is at least five days preceding the date on which the Credit Facility is to expire or terminate pursuant to its terms, in each case including any extension of such maturity or expiration date.

"Weekly Mode" means an Interest Mode during which the interest rate on the Bonds is determined in weekly intervals, except that the first period will be from the Interest Mode Adjustment Date to, but not including, the next Rate Adjustment Date.

GENERAL PROVISIONS

This Bond is one of a series of Bonds of the Issuer limited in aggregate original principal amount of $9,350,000 and designated as Multifamily Housing Revenue Refunding Bonds (The Falls Apartments Project) Series 1999 (the "Bonds"), issued under an Amended and Restated Trust Indenture dated as of March 1, 2016 (the "Indenture"), between the Issuer and the Trustee, to provide funds to make a loan (the "Loan") to Whispering Falls, L.L.C., a Kansas limited liability company (the "Borrower"), under an Amended and Restated Financing Agreement dated as of March 1, 2016 (the "Financing Agreement"), among the Issuer, the Trustee and the Borrower to refund certain prior bonds that financed the acquisition and construction of a 435–unit commercial multifamily residential project located at 6565 West Foxridge Drive in the City of Mission, Kansas currently known as The Falls Apartments, all by the authority of and in full compliance with the provisions, restrictions and limitations of the Constitution and statutes of the State, including particularly K.S.A. 12-1740 to 12-1749d and K.S.A. 10-116a, as amended and supplemented, and pursuant to proceedings duly had by the Issuer. Capitalized terms not otherwise defined in this Bond have the meanings set forth in the Indenture.

TO INITIALLY SECURE THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THE BONDS, THE BORROWER HAS CAUSED THE CREDIT FACILITY PROVIDER TO DELIVER THE CREDIT FACILITY TO THE TRUSTEE. SUBJECT TO CERTAIN CONDITIONS, THE CREDIT FACILITY MAY BE REPLACED BY AN ALTERNATE CREDIT FACILITY. UNDER THE CREDIT FACILITY THE CREDIT FACILITY PROVIDER IS OBLIGATED TO PAY AMOUNTS SUFFICIENT FOR THE PAYMENT OF (A) THE PRINCIPAL OF THE BONDS OR THE PORTION OF THE TENDER PRICE CORRESPONDING TO THE PRINCIPAL OF THE BONDS, AND (B) ACCRUED INTEREST ON THE BONDS OR THE PORTION OF THE TENDER PRICE OF THE BONDS CORRESPONDING TO ACCRUED INTEREST THEREON.

SUBJECT TO CERTAIN CONDITIONS, THE CREDIT FACILITY MAY BE REPLACED BY AN ALTERNATE CREDIT FACILITY.

Counterparts or copies of the Indenture and the other documents referred to herein are on file at the Administrative Office of the Trustee, and reference is hereby made thereto and to the documents referred to therein for the provisions thereof, including the provisions with respect to the rights, obligations, duties and immunities of the Issuer, the Trustee, the Credit Facility Provider, the Borrower and the Registered Owners of the Bonds under such documents, to all of which the Registered Owner hereof, by acceptance of this Bond, assents. The Registered Owner of this Bond shall have no right to enforce the provisions of the Indenture or to institute, appear in or defend any suit or other proceedings with respect thereto, except as provided in the Indenture. The Indenture and other documents referred to therein may be modified or amended to the extent permitted by and as provided therein. Upon the occurrence of certain Events of Default (as defined in the Indenture), all Bonds may be declared immediately due and payable as provided in the Indenture. Interest on the Bonds shall cease to accrue on the date of such declaration. Subject to the limitations provided for in the Indenture, this Bond may be exchanged for a like aggregate principal amount of Bonds in Authorized Denominations. Bonds are transferable by the Registered Owner thereof in person or by such Owner's attorney or legal representative duly authorized in writing at the Payment Office of the Bond Registrar, but only in the manner and subject to the limitations provided for in the Indenture and upon surrender and cancellation of this Bond. **Such limitations include a requirement that, if with respect to an Alternate Credit Facility an opinion is not provided that the Bonds and the Alternate Credit Facility are exempt from registration under the Securities Act of 1933 and any applicable state**

securities laws, then the Bonds subject to the benefits of the Alternate Credit Facility may be sold, remarketed or otherwise transferred only in transactions in which the Bonds and the related Alternate Credit Facility are registered under the Securities Act and any applicable state securities statutes or in transactions in which the Bonds and the related Credit Facility are exempt from the registration requirements of the Securities Act and any applicable state securities laws. Any Bondowner desiring to effect such transfer is required to indemnify the Trustee and the Credit Facility Provider against any liability, cost or expense (including attorneys' fees) that may result if the transfer is not so exempt, or is not made in accordance with such federal and state laws.

Upon transfer a new Bond or Bonds in Authorized Denominations for the same aggregate principal amount will be issued to the transferee in exchange. The Bond Registrar may require a Registered Owner, among other things, to furnish appropriate endorsements and transfer documents and to pay any taxes and fees required by law or permitted by the Indenture in connection with the exchange or transfer. The Issuer, the Tender Agent and the Trustee may treat the Registered Owner of this Bond as the absolute Owner for the purpose of receiving payment as herein provided and for all other purposes and none of them shall be affected by any notice to the contrary.

INTEREST RATE PROVISIONS

General. The interest rate on the Bonds shall be separately determined by Stern Brothers & Co., or any successor or assign (the "Remarketing Agent"), as provided in the Indenture and as summarized below. In no event shall the interest rate borne by the Bonds at any time exceed the Maximum Rate. Interest accrued on the Bonds during each Interest Period shall be paid on the next succeeding Interest Payment Date and, while the Bonds are in a Weekly Mode or a Monthly Mode, shall be computed on the basis of a year of 365 or 366 days, as appropriate, for the actual number of days elapsed and, while the Bonds are in a Semiannual Mode, an Annual Mode or a Multiyear Mode, shall be computed on the basis of a year of 360 days and twelve 30-day months. Each determination of the interest rate for the Bonds, as provided in the Indenture, shall be conclusive and binding upon the Bondowners, the Issuer, the Borrower, the Tender Agent, the Remarketing Agent, the Credit Facility Provider and the Trustee. Upon request, the Remarketing Agent shall give the Issuer, the Trustee, the Tender Agent, the Credit Facility Provider, the Borrower or any Bondowner Immediate Notice of the interest rate on the Bonds at any time.

Determination of Rates. On each Rate Determination Date, the Remarketing Agent shall determine the interest rate which the Bonds shall bear during the Rate Period following such Rate Determination Date. The interest rates so determined shall be effective on the Rate Adjustment Date. Promptly after each Rate Adjustment Date, the Remarketing Agent shall give written notice by facsimile or electronic means of the interest rates so set to the Trustee and the Borrower.

Interest Modes. The Bonds shall initially be in a Weekly Mode. The Interest Mode for the Bonds may be changed from time to time at the option of the Borrower, with the prior written consent of the Credit Facility Provider exercised as provided in the Indenture, to another Interest Mode on an Interest Payment Date on which the Bonds are subject to optional redemption pursuant to the Indenture at a redemption price equal to the principal amount thereof, plus accrued interest, without premium, as selected by the Borrower. The Borrower may exercise such option at any time by giving written notice not more than 60 nor less than 45 days prior to the Interest Mode Adjustment Date to the Issuer, the Trustee, the Remarketing Agent, the Tender Agent and the Credit Facility Provider stating its election to convert the Interest Mode for the Bonds to another Interest Mode, which notice shall specify the new Interest Mode and the Interest Mode Adjustment Date. Such Interest Mode Adjustment Date shall be a Rate Adjustment Date for the Bonds in such new Interest Mode. Upon the exercise of such option by the Borrower and upon the Trustee's receipt of the prior written consent of the Credit Facility Provider to the exercise of such option, not less than 30 days prior to the Interest Mode Adjustment Date, the Trustee shall mail an Interest Mode Adjustment Notice

to each Owner of Bonds, and, in the event of a conversion to a Weekly Mode or a Monthly Mode from any other Interest Mode, a Notice of Election to Tender Bonds in substantially the form as provided in the Indenture.

REDEMPTION PROVISIONS

The Bonds are subject to redemption prior to maturity as provided in the Indenture, which redemption provisions are summarized as follows:

Optional Redemption.

Optional Redemption of Bonds Not in Multiyear Mode. Bonds (other than Bonds in a Multiyear Mode) are subject to redemption and payment prior to maturity, at the option of and upon written instructions from the Borrower with the prior written consent of the Credit Facility Provider, in whole on any date or in part on any Interest Payment Date in Authorized Denominations, at the principal amount thereof, without premium, plus accrued interest to the redemption date, from proceeds of a payment under the Credit Facility.

Optional Redemption of Bonds in Multiyear Mode. The Bonds in a Multiyear Mode are subject to redemption and payment prior to maturity, at the option of and upon written instructions from the Borrower with the prior written consent of the Credit Facility Provider, in whole on any date or in part on any Interest Payment Date in Authorized Denominations, at the redemption prices set forth in the Indenture, plus accrued interest to the redemption date, from proceeds of a payment under the Credit Facility (except with respect to premium, if any), as set forth in the Indenture.

Extraordinary Optional Redemption in Event of Condemnation, Deficiency of Title, Fire or Other Casualty. The Bonds are subject to redemption, at the option of and upon written instructions from the Borrower with the prior written consent of the Credit Facility Provider, in whole or in part, on the earliest practicable date for which notice can be given, upon the occurrence of a condemnation, loss of title or casualty loss to the Project, from the proceeds of a payment under the Credit Facility, at the principal amount thereof, without premium, plus accrued interest to the redemption date.

The Trustee shall select Bonds for redemption as provided in the Indenture. No Bond may be redeemed in part if the principal amount thereof to remain Outstanding following partial redemption is not an Authorized Denomination. The Trustee shall cause notice of any such redemption to be given as provided in the Indenture to the Registered Owner of the Bonds designated for redemption in whole or in part, at its address as shown on the Bond Register by mailing a copy of the redemption notice by first-class mail, postage prepaid, at least 15 and not more than 30 days prior to the redemption date. The failure of the Trustee to give notice to any Bondowner or any defect of such notice shall not affect the validity of the redemption of Bonds. On the date fixed for redemption by notice given as provided in the Indenture, the Bonds so called for redemption shall become and be due and payable at the redemption price provided for redemption of such Bonds on such date.

TENDER PROVISIONS

Optional Tender. **While the Bonds are in a Weekly Mode or Monthly Mode**, any Bond or portion thereof shall be purchased on the Tender Date by the Tender Agent on the demand of the Owner thereof, at the Tender Price, upon delivery to the Tender Agent on a Business Day at its Administrative Office an irrevocable written notice in the form of the Notice of Election to Tender Bonds which states (A) the principal amount and number of such Bond (and the portion of such Bond to be purchased if less than the full principal amount is to be purchased), the name and the address of such Owner and the taxpayer

identification number, if any, of such Owner and (B) that such Bond, or portion thereof, is to be purchased on a day (which shall be the Tender Date), which day will be a Business Day which is at least seven (7) calendar days after the receipt by the Tender Agent of such Notice of Election to Tender Bonds. Such Notice of Election to Tender Bonds shall be deemed received on a Business Day if received by the Tender Agent no later than 3:00 p.m., New York Time, on such Business Day. Any Notice of Election to Tender Bonds received by the Tender Agent after 3:00 p.m., New York Time, shall be deemed received on the next succeeding Business Day. Any purchase in part shall be in a principal amount equal to an Authorized Denomination and after such purchase in part the Owner shall retain a principal amount equal to an Authorized Denomination.

Any Owner of Bonds who has demanded purchase of its Bond or portion thereof as described above shall deliver such Bond (with an appropriate transfer of registration form executed in blank, together with a signature guaranty) (together with, in the case of any Bond with a specified Tender Date prior to an Interest Payment Date and after the related Record Date, a due-bill in form satisfactory to the Tender Agent for interest due on such Bond on such Interest Payment Date) to the Tender Agent at its Payment Office prior to 10:30 a.m., New York Time, on the Tender Date specified in the aforesaid written notice.

Irrevocability of Election. Any election by a Bondowner to exercise the option to have its Bond or Bonds purchased shall be irrevocable upon delivery to the Tender Agent of the Notice of Election to Tender Bonds (together with, if required at the time of delivery of such notice, the Tendered Bonds). If any Owner of Bonds fails to deliver the Bonds described in such Owner's Notice of Election to Tender Bonds, such Bonds shall be converted to Undelivered Bonds. Replacement Bonds shall be executed, authenticated and delivered in place of such Undelivered Bonds as provided in the Indenture and such replacement Bonds may be offered and sold by the Remarketing Agent in accordance with the Indenture and Remarketing Agreement if the credit enhancement requirements of the Indenture are met.

Mandatory Tender.

On Termination Date or Interest Mode Adjustment Date. All Bonds are required to be tendered to the Tender Agent for purchase on the Termination Date or an Interest Mode Adjustment Date. Any Bondowner required to tender Bonds under this provision shall tender its Bonds to the Tender Agent for purchase at its Payment Office prior to 10:30 a.m., New York Time, on the Termination Date or the Interest Mode Adjustment Date, as applicable. The failure to tender Bonds on any such date is the equivalent of a tender and such Bonds shall be converted to Undelivered Bonds and replacement Bonds shall be executed, authenticated and delivered in the place of such Undelivered Bonds and such replacement Bonds may be offered and sold by the Remarketing Agent in accordance with the Indenture and Remarketing Agreement if the credit enhancement requirements of the Indenture are met.

On Alternate Credit Facility Date. All Bonds are required to be tendered to the Tender Agent for purchase on an Alternate Credit Facility Date. Any Bondowner required to tender Bonds under this provision shall tender its Bonds to the Tender Agent for purchase at its Payment Office prior to 10:30 a.m., New York Time, on the Alternate Credit Facility Date. The failure to tender its Bonds on any such date is the equivalent of a tender and such Bonds shall be converted to Undelivered Bonds and replacement Bonds shall be executed, authenticated and delivered in the place of such Undelivered Bonds and such replacement Bonds may be offered and sold by the Remarketing Agent in accordance with the Indenture and Remarketing Agreement if the credit enhancement requirements of the Indenture are met.

On Rate Adjustment Date During Semiannual Mode, Annual Mode and Multiyear Mode. While the Bonds are in a Semiannual Mode, Annual Mode or Multiyear Mode, all Bonds are required to be tendered to the Tender Agent for purchase on a Rate Adjustment Date. Any Bondowner required to tender Bonds under this provision shall tender its Bonds to the Tender Agent for purchase at its Payment Office

prior to 10:30 a.m., New York Time, on the Rate Adjustment Date. The failure to tender its Bonds on any such date is the equivalent of a tender and such Bonds shall be converted to Undelivered Bonds and replacement Bonds shall be executed, authenticated and delivered in the place of such Undelivered Bonds as provided in the Indenture and such replacement Bonds may be offered and sold by the Remarketing Agent in accordance with the Indenture and Remarketing Agreement if the credit enhancement requirements of the Indenture are met.

Mandatory Tender in Lieu of Acceleration on Default. Additionally, all Bonds are subject to mandatory tender for purchase on the Mandatory Purchase Date from the Bondowners by the Trustee for the account of the Credit Facility Provider in lieu of acceleration of the Bonds and mandatory redemption, upon the occurrence of an event of default under the Credit Facility Agreement and notice from the Credit Facility Provider requiring the mandatory purchase of the Bonds. Upon receipt of notice from the Credit Facility Provider directing the Trustee to purchase the Bonds and setting the Mandatory Purchase Date, which shall be a Business Day which is at least three (3) and no more than ten (10) calendar days after the receipt by the Trustee of such notice, the Trustee shall immediately request a payment under the Credit Facility to be received no later than 3:00 p.m., New York Time, on the Mandatory Purchase Date, and shall also send notice to the Bondowners of the mandatory purchase. On the Mandatory Purchase Date, the Tender Agent shall pay to the Bondowners the purchase price for the Bonds, which shall be an amount equal to 100% of the principal amount of any Bond tendered or deemed tendered plus accrued and unpaid interest thereon to the Mandatory Purchase Date. Any Bondowner required to tender Bonds under this subsection (4) shall tender its Bonds to the Tender Agent for purchase at its Payment Office prior to 10:30 a.m., New York Time, on the Mandatory Purchase Date. The failure to tender its Bonds on any such date is the equivalent of a tender and such Bonds shall be converted to Undelivered Bonds and replacement Bonds shall be executed, authenticated and delivered in the place of such Undelivered Bonds if the credit enhancement requirements of the Indenture are met.

Upon Determination of Taxability. The Bonds are subject to mandatory tender on the earliest practicable date for which notice can be given, if a Determination of Taxability occurs. Any Bondowner required to tender Bonds under this provision shall tender its Bonds to the Tender Agent for purchase at its Payment Office prior to 10:30 a.m., New York Time, on the date established by the Trustee in the notice of mandatory tender. The failure to tender Bonds on any such date is the equivalent of a tender and such Bonds shall be converted to Undelivered Bonds and replacement Bonds shall be executed, authenticated and delivered in the place of such Undelivered Bonds and such replacement Bonds may be offered and sold by the Remarketing Agent in accordance with the Indenture and Remarketing Agreement if the credit enhancement requirements of the Indenture are met.

Notice of Mandatory Tender. The Trustee shall give notice to Bondowners of the mandatory tender for purchase of Bonds not less than 20 or more than 30 calendar days prior to the mandatory Tender Date (not less than three days or more than 10 calendar days for tender upon the mandatory tender in Bonds in lieu of acceleration upon a Credit Facility Agreement default as described above).

Failure to Give Notice. Failure by the Trustee to give any notice regarding a mandatory tender as provided in the Indenture, any defect therein or any failure by any Bondowner to receive any such notice shall not in any way change such Owner's obligation to tender the Bonds for purchase on any mandatory Tender Date.

Purchase of Tendered Bonds. Tendered Bonds shall be purchased from the Owners thereof on the Tender Date at the Tender Price which shall be payable solely from the following sources in the order of priority listed: (1) proceeds of the remarketing of such Tendered Bonds pursuant to the Remarketing Agreement and the Indenture which constitute Available Moneys; and (2) proceeds of a payment under the Credit Facility to purchase such Tendered Bonds.

Notwithstanding any provision of the Indenture to the contrary, there shall be no purchases (other than a mandatory tender on the Termination Date or a mandatory purchase on the Mandatory Purchase Date) or sales of Bonds pursuant to the provisions of the Indenture relating to the tender of Bonds if there has occurred and is continuing certain Events of Default under the Indenture.

THIS BOND shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Indenture until the Certificate of Authentication hereon shall have been manually signed by an authorized signatory of the Trustee.

IT IS HEREBY CERTIFIED AND RECITED that all acts, conditions and things required to exist, to happen and to be performed precedent to and in the issuance of this Bond have existed, have happened and have been performed in due form, time and manner as required by law.

IN WITNESS WHEREOF, the Issuer has caused this Bond to be executed and attested by the manual or facsimile signatures of its duly authorized officers, and its corporate seal to be affixed or imprinted hereon, all as of the Dated Date shown above.

CITY OF MISSION, KANSAS

By:_____
Name: Steve Schowengerdt
Title: Mayor

(SEAL)

Attest:

_____
Name: Martha Sumrall
Title: City Clerk

AUTHENTICATION CERTIFICATE

The undersigned hereby certifies that this is one of the Bonds described in the within-mentioned Indenture.

Date of Authentication: _____

UMB BANK, N.A., as Trustee

By _____
Authorized Signatory

==========

(FORM OF ASSIGNMENT)

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto

_____

(Please Print or Type Name, Address and Social Security Number or Taxpayer Identification Number of Transferee) the within Bond and all rights therein, and hereby irrevocably constitutes and appoints

_____

Attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

_____

NOTICE: The signature to this Assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever.

Signature Guaranteed By:

_____

NOTICE: Signature(s) must be guaranteed by an eligible guarantor institution as defined by SEC Rule 17Ad-15 (17 CFR 240.17Ad-15) or other rule determined by the Trustee to be applicable.

By _____
Title _____

==========

The following abbreviations, when used in the inscription on the face of the within Bond, shall be construed as though they were written out in full according to applicable laws or regulations.

TEN COM	as tenants in common
TEN ENT	as tenants by the entireties
JT TEN	as joint tenants with right of survivorship and not as tenants in common

UNIF TRANS MIN ACT _____
(Cust)
Custodian _____
(Minor)
under Uniform Transfers to Minors Act

(State)

Additional abbreviations may also be used though not in the above list.

EXHIBIT B

CREDIT FACILITY DRAW PROCEDURES

The Trustee shall request payments under the Credit Facility by presenting a conforming request to the Credit Facility Provider prior to the applicable Interest Payment Date, Principal Payment Date or purchase date referenced in subparagraphs (1), (2), (3) and (6), and prior to the applicable Tender Date referenced in subparagraphs (4) and (5), as follows:

(1) prior to 11:30 a.m., St. Louis, Missouri time, one Business Day prior to each Interest Payment Date, an amount equal to interest due on the Bonds on such Interest Payment Date;

(2) prior to 11:30 a.m., St. Louis, Missouri time, one Business Day prior to each Principal Payment Date, an amount equal to the full principal amount of the Bonds coming due on such Principal Payment Date because of the maturity of the Bonds;

(3) prior to 11:30 a.m., St. Louis, Missouri time, one Business Day prior to each Principal Payment Date on which the Bonds are being redeemed pursuant to Sections 401 and 402, in an amount which will be equal to the full principal amount plus accrued interest on the Bonds to be redeemed (other than the amount owing as a redemption premium, if any);

(4) prior to 9:30 a.m., St. Louis, Missouri time, on a Tender Date for any Bonds in accordance with Section 301, in an amount which, when added to Remarketing Proceeds on deposit with the Tender Agent, is equal to the Tender Price of Bonds for which Notices of Election to Tender Bonds have been timely received;

(5) prior to 9:30 a.m., St. Louis, Missouri time, on a Tender Date for any Bonds in accordance with Section 302, in an amount which, when added to Remarketing Proceeds on deposit with the Tender Agent, is equal to the Tender Price of all of the Bonds required to be tendered on the Tender Date pursuant to Section 302; and

(6) prior to 11:30 a.m., St. Louis, Missouri time, one Business Day prior to each date fixed for the purchase of Bonds in lieu of redemption pursuant to Section 407, in an amount which will be equal to the full principal amount plus accrued interest on the Bonds to be purchased in lieu of redemption (other than the amount owing as a redemption premium, if any).

Notwithstanding the above provisions, pursuant to Section 802, the Trustee shall promptly demand payment under the Credit Facility upon any acceleration of the maturity of the Bonds, or upon any direction by the Credit Facility Provider to the Trustee to purchase the Bonds for the Credit Facility Provider's own account in accordance with Section 802(f).

If the amount of interest is not determinable at the time of presentation of a request to the Credit Facility Provider, the Trustee shall calculate such interest at the Maximum Rate.

EXHIBIT C

NOTICE OF ELECTION TO TENDER BONDS

City of Mission, Kansas

Multifamily Housing Revenue Refunding Bonds
(The Falls Apartments Project)
Series 1999

The undersigned hereby irrevocably notifies UMB Bank, N.A., as Tender Agent, of its election to present the Bonds described below and have such Bonds purchased by the Tender Agent on _____, 20__ (the "Tender Date") at the Tender Price equal to 100% of the principal amount plus interest accrued and unpaid thereon, to, but not including, the Tender Date.

The Tender Agent will not accept this Notice unless it is properly completed and received at its offices (specified below). Such Notice must be delivered to the Tender Agent on a Business Day by hand or by mail, at _____; Attention: Corporate Trust Department.

The undersigned hereby agrees to sell, assign and transfer the Bonds to the Tender Agent, and hereby irrevocably constitutes and appoints the Tender Agent, as duly authorized attorney, to authorize the Trustee to transfer the Bonds on the books kept for registration thereof and to register such Bonds, with full power of substitution. The undersigned agrees to deliver to the Tender Agent, at _____; Attention: Corporate Trust Department, the Bonds at or before 10:30 a.m., New York Time, on the Tender Date.

AN OWNER'S EXERCISE OF THE OPTION TO HAVE SUCH BOND PURCHASED IS IRREVOCABLE AND BINDING ON SUCH OWNER AND CANNOT BE WITHDRAWN. IF ANY OWNER OF BONDS SHALL FAIL TO DELIVER THE BONDS DESCRIBED IN SUCH OWNER'S NOTICE, SUCH BONDS SHALL CONSTITUTE UNDELIVERED BONDS. REPLACEMENT BONDS SHALL BE EXECUTED, AUTHENTICATED AND DELIVERED IN THE PLACE OF SUCH UNDELIVERED BONDS AS PROVIDED IN THE INDENTURE AND SUCH REPLACEMENT BONDS MAY BE OFFERED AND SOLD BY THE REMARKETING AGENT IN ACCORDANCE WITH THE REMARKETING AGREEMENT.

The undersigned hereby directs the Tender Agent to make payment to the undersigned of the Tender Price of the Bonds, together with accrued interest thereon, and elects to receive payment of the Tender Price of the Bonds, in one of the following manners (check the desired method):

MANNER A __ by check or draft mailed to the Owner on the applicable Tender Date, upon surrender of the Bonds (if not submitted herewith) [or the Receipt] to the Tender Agent at the address specified above for hand delivery.

MANNER B __ by electronic transfer of immediately available funds to account number _____ _____ in the name of _____, at _____ (must be in continental United States), ABA # _____. on the applicable Tender Date; provided however, that the undersigned may not utilize this Manner B to receive the Tender Price unless the undersigned is the Owner of and is tendering at least $1,000,000 aggregate principal amount of the Bonds and the electronic transfer instructions are provided to the Tender Agent with this Notice.

General Provisions. The Tender Agent's determination of whether this Notice is properly completed and the compliance with the delivery requirements set forth herein shall be binding on the undersigned.

Bond or Bonds (or Portions Thereof)
Presented For Purchase

Bond Number(s)	Amount Tendered[1]	Amount Retained[2]
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Amount:	_____	_____

(1) Unless Bondowner is having all of his Bonds purchased, principal amount must be an Authorized Denomination.

(2) Must be a principal amount which is an Authorized Denomination.

Signature(s)*_____

_____

Signature
guaranteed by _____

_____
Print or Type Name

_____
Street Address

_____
City, State and Zip Code

_____
Area Code and Telephone Number

_____
Social Security Number or Taxpayer ID Number:

* The signature(s) to this Notice must correspond exactly to the name(s) of the Owner of any Bond(s) submitted herewith, as it appears on the books of the Tender Agent, in every particular without alteration, enlargement or any change whatsoever and such signature must be guaranteed by an eligible guarantor institution as defined by SEC Rule 17Ad-15 (17 CFR 240.17Ad-15) or other rule determined by the Trustee to be applicable.

EXHIBIT D

INTEREST MODE ADJUSTMENT NOTICE

City of Mission, Kansas

Multifamily Housing Revenue Refunding Bonds
(The Falls Apartments Project)
Series 1999

This notice is being sent pursuant to the provisions of the Amended and Restated Trust Indenture dated as of March 1, 2016 (the "Indenture"), between the City of Mission, Kansas (the "Issuer"), and UMB Bank, N.A., as Trustee. Capitalized terms used in this notice shall have the same meanings as in the Indenture.

You are hereby notified as follows:

1. An option has been exercised to convert the Interest Rate Mode applicable to the referenced bonds (the "Bonds"), from a(n) Weekly/Monthly/Semiannual/Annual/ Multiyear (__)-Year Mode to a(n) Weekly/Monthly/Semiannual/ Annual/Multiyear (_)-Year) Mode on _____ (the "Interest Mode Adjustment Date"). Your Bond will be purchased on such date at a price of 100% of the principal amount thereof plus interest accrued and unpaid thereon to, but not including, the Tender Date.

2. Payment for your Bond will be made on or after the tender date thereof upon presentation and surrender at the principal payment office of the Tender Agent at _____, of such Bond, duly endorsed in blank for transfer (with all signatures guaranteed by an eligible guarantor institution as defined by SEC Rule 17Ad-15 (17 CFR 240.17Ad-15) or other rule determined by the Trustee to be applicable.

3. You are further notified that interest will no longer accrue to you on your Bond on and after the tender date thereof unless the Tender Agent has received directions from you not to so purchase your Bond as herein provided, and, other than the right to receive payment of the purchase price for your Bond, you shall then cease to have further rights under the Indenture.

[insert any conditions to the effectiveness of the notice]

Date: _____, 20___

UMB BANK, N.A.,
as Trustee

By: _____
Title: _____

EXHIBIT E

NOTICE OF ALTERNATE CREDIT FACILITY

City of Mission, Kansas

Multifamily Housing Revenue Refunding Bonds
(The Falls Apartments Project)
Series 1999

This notice is being sent pursuant to the provisions of the Amended and Restated Trust Indenture dated as of March 1, 2016 (the "Indenture"), between the City of Mission, Kansas (the "Issuer") and UMB Bank, N.A., as Trustee. Capitalized terms used in this notice shall have the same meanings as in the Indenture.

You are hereby notified as follows:

1. An Alternate Credit Facility relating to the Issuer's Multifamily Housing Revenue Refunding Bonds (The Falls Apartments Project) Series 1999 (the "Bonds"), will become effective on ___ _____ (the "Alternate Credit Facility Date"). Your Bond will be purchased on such date at a price of 100% of the principal amount thereof. A copy of the proposed form of Alternate Credit Facility and certain financial information relating to the issuer thereof are on file at the office of the Trustee and are available for inspection at your request.

2. Payment for your Bond will be made on or after the tender date thereof upon presentation and surrender at the principal payment office of the Tender Agent at _____, of such Bond, duly endorsed in blank for transfer (with all signatures guaranteed by an eligible guarantor institution as defined by SEC Rule 17Ad-15 (17 CFR 240.17Ad-15) or other rule determined by the Trustee to be applicable.

3. You are further notified that interest will no longer accrue to you on your Bond on and after the tender date thereof and, other than the right to receive payment of the purchase price for your Bond, you shall then cease to have further rights under the Indenture.

[insert any conditions to the effectiveness of the notice]

Dated: _____, 20__

UMB BANK, N.A., as Trustee

By: _____
Title: _____

EXHIBIT F

INVESTOR LETTER

_____, 20__

[Trustee]
[Trustee Address]

[Remarketing Agent]
[Remarketing Agent Address]

[Credit Facility Provider]
[Credit Facility Provider Address]

Re: Multifamily Housing Revenue Refunding Bonds (The Falls Apartments Project) Series 1999 of the City of Mission, Kansas

Ladies and Gentlemen:

The undersigned (the "Investor") hereby represents and warrants to you as follows:

[THE FOLLOWING PARAGRAPH 1 IS FOR USE PURSUANT TO SECTION 211(b)(i) OF THE INDENTURE.]

1. The Investor proposes to purchase $_____ aggregate principal amount of the above-referenced bonds (the "Bonds") issued pursuant to that certain Amended and Restated Trust Indenture dated as of March 1, 2016 (the "Indenture"), between the City of Mission, Kansas and UMB Bank, N.A., as trustee. The Investor understands that the Bonds and the credit enhancement with respect thereto have not been registered under the Securities Act of 1933, as amended, or the securities laws of any state and will be sold to the Investor in reliance upon certain exemptions from registration and in reliance upon the representations and warranties of the Investor set forth herein.

[THE FOLLOWING PARAGRAPH 1 IS FOR USE PURSUANT TO SECTION 211(b)(iii) OF THE INDENTURE.]

1. The Investor understands that [Remarketing Agent] may offer to the Investor for purchase in a secondary market transaction the above-referenced bonds (the "Bonds") issued pursuant to that certain Amended and Restated Trust Indenture dated as of March 1, 2016 (the "Indenture"), between the City of Mission, Kansas and UMB Bank, N.A., as trustee. The Investor understands that the Bonds and the credit enhancement with respect thereto have not been registered under the Securities Act of 1933, as amended, or the securities laws of any state and may be sold to the Investor in reliance upon certain exemptions from registration and in reliance upon the representations and warranties of the Investor set forth herein.

2. The Investor is purchasing the Bonds solely for its own account for investment purposes only, and not with a view to, or in connection with, any distribution, resale, pledging, fractionalization, subdivision or other disposition thereof (subject to the understanding that disposition of Investor's property will remain at all times within its control).

3. The Investor agrees that it will only offer, sell, pledge, transfer or exchange any of the Bonds it purchases (i) in accordance with an available exemption from the registration requirements of Section 5 of the Securities Act of 1933, (ii) in accordance with any applicable state securities laws and (iii) in accordance with the provisions of the Indenture.

4. The Investor is familiar with Rule 144A promulgated under the Securities Act of 1933 and is a "qualified institutional buyer" as defined in Rule 144A; it is aware that [the] [any] sale of Bonds to it [is] [may be] made in reliance on Rule 144A and understands that such Bonds may be offered, resold, pledged or transferred only (i) to a person who the Investor reasonably believes is a qualified institutional buyer that purchases for its own account or for the account of a qualified institutional buyer to whom notice is given that the resale, pledge or transfer is being made in reliance on Rule 144A, or (ii) pursuant to another exemption from registration under the Securities Act of 1933.

5. If the Investor sells any of the Bonds other than pursuant to a mandatory or optional tender and purchase provided for in and complying with the Indenture, the Investor or its agent will obtain from any subsequent purchaser the same representations contained in this Representation Letter.

6. The Investor acknowledges and understands that you, any trustee under the Indenture and each of the "issuers" (as such term is used in the Securities Act of 1933) of the Bonds and any security related thereto are relying and will continue to rely on the statements made herein. The Investor agrees to notify you immediately of any changes in the information and conclusions herein.

Very truly yours,

[Name of Investor]

Dated: _____, 20__

By: _____
Name: _____
Title: _____
[Must be Authorized Officer]

Gilmore & Bell Draft
February [12], 2016
A&R Financing Agreement-2b

AMENDED AND RESTATED FINANCING AGREEMENT

Dated as of March 1, 2016

among

CITY OF MISSION, KANSAS,

UMB BANK, N.A., AS TRUSTEE,

AND

WHISPERING FALLS, L.L.C.

Relating to

Multifamily Housing Revenue Bonds
(The Falls Apartment Project)
Series 1999

of the

City of Mission, Kansas

Certain of the rights, title and interest of the City of Mission, Kansas in this Financing Agreement have been pledged and assigned to UMB Bank, N.A. in St. Louis, Missouri, as trustee under the Amended and Restated Trust Indenture dated as of March 1, 2016, between the City of Mission, Kansas and UMB Bank, N.A., as trustee.

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Exhibit A - Form of Note

AMENDED AND RESTATED FINANCING AGREEMENT

THIS AMENDED AND RESTATED FINANCING AGREEMENT dated as of March 1, 2016 (this "Agreement" or "Financing Agreement"), among the CITY OF MISSION, KANSAS, a municipal corporation and political subdivision organized and existing under the laws of the State of Kansas (together with any successors and assigns and any surviving, resulting or transferee entity, the "Issuer"), UMB BANK, N.A., a banking association duly organized and existing, and authorized to accept and execute trusts of the character herein set forth, under the laws of the United States of America, with a corporate trust office located in the City of St. Louis, Missouri, successor to State Street Bank and Trust company of Missouri, N.A., as trustee (the "Trustee"), WHISPERING FALLS, L.L.C., a Kansas limited liability company (the "Borrower");

RECITALS:

1. The Issuer is authorized under the provisions of K.S.A. 12-1740 to 12-1749d, inclusive, and K.S.A. 10-116a, as amended (the "Act"), to purchase, acquire, construct, improve and equip certain facilities within its jurisdiction for industrial purposes, to enter into leases and lease-purchase agreements with any person, firm or corporation for said facilities, to issue revenue bonds for the purpose of paying the cost of any such facilities, to pledge the income and revenues to be derived from the operation of such facilities to secure the payment of the principal of and interest on such bonds and to refund its outstanding bonds by the issuance of its refunding bonds.

2. Pursuant to the Act, the Issuer refinanced a 435-unit multifamily housing facility known as The Falls Apartments located in Mission, Kansas (the "Project") by the issuance of its $9,350,000 Multifamily Housing Revenue Refunding Bonds (The Falls Apartments Project) Series 1999 (the "Bonds").

3. The Bonds were issued pursuant to the Trust Indenture dated as of December 1, 1999 (the "Original Indenture") between the Issuer and State Street Bank and Trust Company of Missouri, N.A., predecessor to the Trustee. The proceeds of the Bonds were loaned to Whispering Falls, L.L.C., a Kansas limited liability company (the "Borrower") pursuant to the terms and provisions of the Financing Agreement dated as of December 1, 1999 (the "Original Financing Agreement") among the Issuer, State Street Bank and Trust Company of Missouri, N.A., predecessor to the Trustee, and the Borrower.

4. The loan of the Bond proceeds to the Borrower (the "Loan") is evidenced by a promissory note from the Borrower to the Trustee (the "Original Mortgage Note"), and immediately prior to the effective date hereof was secured by a Multifamily Mortgage, Assignment of Rents and Security Agreement (the "Original Mortgage") and otherwise evidenced and secured by other mortgage loan documents (the "Original Mortgage Loan Documents").

5. In connection with the issuance of the Bonds, Fannie Mae (the "Original Credit Facility Provider") agreed to facilitate the refinancing of the Project by providing credit enhancement and liquidity support for the Bonds pursuant to, and subject to the limitations of, a Collateral Agreement dated December 8, 1999 (the "Collateral Agreement"), between Fannie Mae and the Trustee.

6. The Project is leased by the Borrower to the Issuer pursuant to a Base Lease Agreement dated as of December 1, 1999 (the "Lease"), between the Borrower and the Issuer, and is subleased by the Issuer to the Borrower pursuant to the Sublease Agreement, dated as December 1, 1999 (the "Sublease"), between the Borrower and the Issuer.

7. Pursuant to the Indenture and an Assignment and Intercreditor Agreement dated as of December 1, 1999, among the Issuer, the Trustee and Fannie Mae, the Issuer and the Trustee assigned their rights in the Financing Agreement, the Loan, the Original Mortgage Note, the Original Mortgage and the other Original Mortgage Loan Documents, the Lease and the Sublease (except certain Reserved Rights (as hereinafter defined)) to the Trustee and the Original Credit Facility Provider, as their interests may appear, to provide security for the owners of the Bonds and the Original Credit Facility Provider.

8. Immediately prior to the effective date of this Financing Agreement, the Bonds were secured by the Collateral Agreement provided by the Original Credit Facility Provider. The Original Indenture and the Original Financing Agreement provide that the Borrower may cause the delivery of an Alternate Credit Facility on the Substitution Date (as defined in the Original Indenture). The Bonds are subject to mandatory tender in whole on the Substitution Date.

9. Pursuant to the Original Indenture and the Original Financing Agreement, the Borrower has exercised its right to provide an Alternate Credit Facility to secure the Bonds on March 15, 2016 (the "Substitution Date").

10. To provide for credit enhancement and liquidity for the Bonds, the Borrower is causing U.S. Bank National Association (the "Credit Facility Provider") to deliver an irrevocable direct-pay letter of credit (the "Credit Facility") as an Alternate Credit Facility (within the meaning of the Original Indenture) on the Substitution Date in order to secure the timely payment of the principal of and interest on the Bonds and the purchase price of all Bonds in accordance with the terms of the Indenture.

11. In connection with the delivery of the Credit Facility on the Substitution Date, the Original Mortgage and the Original Mortgage Loan Documents will be terminated and released.

12. To evidence the Borrower's reimbursement obligations to the Credit Provider for draws made under the Credit Facility, the Borrower and the Credit Provider have executed and delivered the Application for Letter of Credit and Reimbursement Agreement dated as of March 1, 2016 (the "Reimbursement Agreement").

13. To secure the Borrower's reimbursement obligations to the Credit Provider under the Reimbursement Agreement, the Borrower has executed and delivered the Construction Mortgage with Absolute Assignment of Leases and Rents, Security Agreement and Fixture Filing dated as of March 1, 2016 (the "Mortgage") to the Credit Provider on the Substitution Date.

14. In connection with the delivery of the Credit Facility the Borrower has requested the amendment and restatement of the Original Indenture by an Amended and Restated Trust Indenture dated as of March 1, 2016 (the "Indenture") between the Issuer and the Trustee, and an amendment and restatement of the Original Financing Agreement by this Financing Agreement. The Original Mortgage Note will also be amended and restated by the Amended and Restated Multifamily Note dated the Substitution Date (the "Note") executed by the Borrower in favor of the Trustee, substantially in the form attached as Exhibit A.

15. The Original Financing Agreement is amended and restated in its entirety as set forth in this Financing Agreement.

NOW, THEREFORE, in consideration of the premises and the mutual representations, covenants and agreements herein contained, the Issuer, the Trustee and the Borrower represent, covenant and agree as follows:

ARTICLE I

DEFINITIONS, CONSTRUCTION AND CERTAIN GENERAL PROVISIONS

Section 1.1. Definitions. All words and terms defined in Section 101 of the Indenture shall have the same meaning in this Financing Agreement unless otherwise defined herein. In addition to words and terms defined in the Indenture or defined elsewhere in this Financing Agreement, the following words and terms shall have the following meanings, unless some other meaning is plainly intended:

"Additional Payments" means the Additional Payments described in Section 3.5.

"Bond Payment Date" means an Interest Payment Date, Principal Payment Date or any other date on which the principal of or interest on the Bonds is payable (other than a Tender Date).

"Borrower Documents" means the Bond Documents and the Credit Documents.

"Default" means any event or condition that constitutes, or with the giving of any requisite notice or upon the passage of any requisite time period or upon the occurrence of both would constitute, an Event of Default.

"Default Rate" means the interest rate announced from time to time by the Trustee (or a banking affiliate of the Trustee) as its prime rate or base rate on commercial loans (which rate fluctuates as and when said prime rate or base rate changes) plus 4.0%.

"Event of Default" means any Event of Default as defined in Section 8.1.

"Full Insurable Value" means the actual replacement cost of the Project without deduction for physical depreciation and exclusive of land, excavations, footings, foundations and parking lots.

"Loan Payment Date" means each Bond Payment Date and Tender Date.

"Loan Payments" means the Loan Payments described in Section 3.4(a).

"Loan Term" means the period from the effective date of this Financing Agreement until the expiration hereof pursuant to Section 10.2.

"Machinery and Equipment" means the fixtures, furnishings, machinery and equipment and related support facilities with respect to the Project, or any Net Proceeds and any fixtures, furnishings, machinery and equipment and related support facilities substituted for Machinery and Equipment removed and disposed of pursuant to the provisions of the Mortgage.

"Mortgaged Property" means the property described in the Granting Clauses of the Mortgage.

"Net Proceeds" means the portion of the gross proceeds from the insurance (including title insurance) or condemnation award with respect to which that term is used remaining after the payment of all expenses (including attorneys' fees and any expenses of the Issuer or the Trustee) incurred in the collection of such gross proceeds. As used in this definition the word "condemnation" shall have the meaning given to it in Section 5.6.

"Reserved Rights" means the Issuer's rights to payment or reimbursement of its fees, costs and expenses and arbitrage rebate under Sections 3.9(a)(3) and (5), 8.4 and 8.6 of this Financing Agreement and Sections 4.2(a) and 4.3(b), (d) and (f) of the Sublease, its rights of access under Section 6.1 of this Financing Agreement, its rights to indemnification under Sections 4.2 and 6.3 of this Financing Agreement, Section 5.2 of the Base Lease and Section 6.2 of the Sublease, its rights to exemption from liability under Section 10.7 of this Financing Agreement, its rights to receive notices, reports and other statements and its rights to consent to certain matters under the Bond Documents.

Section 1.2. Rules of Interpretation.

(a) Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders.

(b) Unless the context shall otherwise indicate words importing the singular number shall include the plural and vice versa, and words importing person shall include limited liability companies, partnerships, associations and corporations, including public bodies, as well as natural persons.

(c) The words "herein," "hereby," "hereunder," "hereof," "hereto," "hereinbefore," "hereinafter" and other equivalent words refer to this Financing Agreement and not solely to the particular article, section, paragraph or subparagraph hereof in which such word is used.

(d) Reference herein to a particular article or a particular section shall be construed to be a reference to the specified article or section hereof unless the context or use clearly indicates another or different meaning or intent. Reference herein to a schedule or an exhibit shall be construed to be a reference to the specified schedule or exhibit hereto unless the context or use clearly indicates another or different meaning or intent.

(e) Wherever an item or items are listed after the word "including," such listing is not intended to be a listing that excludes items not listed.

(f) The table of contents, captions and headings in this Financing Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Financing Agreement.

(g) If the Borrower is a limited partnership, references in this Financing Agreement to "Manager" or "member" shall mean "general partner" or "limited partner," respectively. If the Borrower is not a limited liability company, partnership or limited partnership, references in this Financing Agreement to "Manager" or "member" shall be of no force or effect.

ARTICLE II

REPRESENTATIONS

Section 2.1. Representations by Issuer. The Issuer makes the following representations as the basis for the undertakings on its part herein contained:

(a) The Issuer is a municipal corporation and political subdivision exercising essential governmental functions, organized and existing under the laws of the State.

(b) The Issuer has lawful power and authority under the Act to enter into the transactions contemplated by this Financing Agreement and to carry out its obligations hereunder. By proper action of

its governing body, the Issuer has been duly authorized to execute and deliver this Financing Agreement, acting by and through its duly authorized officers.

(c) To refinance the costs of the Project, the Issuer has issued the Bonds in the aggregate original principal amount of $9,350,000. The Bonds will bear interest at the rates and be scheduled to mature as set forth in Article II of the Indenture and will be subject to purchase from the Owners thereof in accordance with the provisions of Article III of the Indenture and redemption prior to maturity in accordance with the provisions of Article IV of the Indenture. The Bonds are to be issued under and secured by the Indenture, pursuant to which the payments, revenues, rents and receipts derived by the Issuer pursuant to this Financing Agreement, other than Issuer's Reserved Rights, will be pledged and assigned to the Trustee as security for payment of the principal of, premium, if any, and interest on the Bonds.

(d) To its knowledge, no director of the governing body of the Issuer or any other officer of the Issuer has any significant or conflicting interest, financial, employment or otherwise, in the Borrower, the Project or in the transactions contemplated hereby.

Section 2.2. Representations and Warranties by the Borrower. The Borrower represents and warrants as follows:

(a) The Borrower is a limited liability company duly formed, existing and in good standing under the laws of the State of Kansas,and is authorized to conduct its business in the State and all other states where its activities require such authorization, has power to enter into this Agreement and the other Borrower Documents to which the Borrower is a party, and to use the Project for the purpose set forth in this Agreement, and by proper action has authorized the execution and delivery of this Agreement and the other Borrower Documents to which the Borrower is a party, and has approved the Indenture.

(b) The execution and delivery of this Financing Agreement and the other Borrower Documents to which the Borrower is a party, the consummation of the transactions contemplated thereby, and the fulfillment of the terms and conditions thereof do not and will not conflict with or result in a breach of any of the terms or conditions of the Borrower's organizational documents, any restriction or any agreement or instrument to which the Borrower is now a party or by which it is bound or to which any property of the Borrower is subject, and do not and will not constitute a default under any of the foregoing, or, to the best of the Borrower's knowledge, cause the Borrower to be in violation of any order, decree, statute, rule or regulation of any court or any state or federal regulatory body having jurisdiction over the Borrower or its properties, including the Project, and do not and will not result in the creation or imposition of any lien, charge or encumbrance of any nature upon any of the property or assets of the Borrower contrary to the terms of any instrument or agreement to which the Borrower is a party or by which it is bound.

(c) To the Borrower's knowledge, the use of the Project, as it is currently operated or proposed to be operated in the future, complies with all presently applicable zoning, development, pollution control, water conservation, environmental and other laws, regulations, rules and ordinances of the federal government and the State and the respective agencies thereof and the political subdivisions in which the Project is located; the Borrower has or will timely obtain all necessary and material approvals of, and licenses, permits, consents and franchises from, federal, State, county, municipal or other governmental authorities having jurisdiction over the Project to acquire, construct, install and equip the Project and to enter into, execute and perform its obligations under this Agreement and the other Borrower Documents.

(d) The Borrower will own and operate the Project in accordance with all applicable federal, state and local laws, ordinances and regulations and all agreements and instruments to which it is a party.

(e) There will be no other obligations issued before or after the Bonds by or on behalf of any state, territory or possession of the United States, or any political subdivision of any of the foregoing, or the District of Columbia which will constitute "private activity bonds" within the meaning of Section 141 of the Code and regulations, (i) the proceeds of which will be used primarily with respect to facilities, the principal user or users of which will be the Borrower or related persons thereto (within the meaning of the Code), and (ii) which will be (1) sold (or in the case of variable rate obligations, issued) less than 15 days apart, (2) sold (or in the case of variable rate obligations, issued) pursuant to the same plan of financing, and (3) payable from the same source of funds, determined without regard to guarantees from unrelated parties.

(f) The Borrower is not in the trade or business of selling properties such as the Project and has acquired the Project for investment purposes only or otherwise for use by the Borrower in its trade or business, and therefore, the Borrower has no intention now, or in the foreseeable future, to voluntarily sell, surrender or otherwise transfer the Project in whole or any part containing any residential unit or any other material portion of the Project Site.

(g) There are no actions, suits, proceedings or inquiries or investigations at law or in equity pending or, to the knowledge of the Borrower, overtly threatened in writing against the Borrower or a Manager or any property of the Borrower or a Manager in any court or before any federal, State, municipal or other governmental agency, which, if decided adversely to the Borrower or a Manager, would have a material adverse effect upon the Borrower or a Manager or upon the business or properties of the Borrower or a Manager, upon their power, authority and right to enter into the Borrower Documents, or upon the acquisition, construction and equipping of the Project. Neither the Borrower nor a Manager is in default with respect to any order of any court or governmental agency.

(h) The Borrower (i) is not in default in the payment of the principal of or interest on any indebtedness for borrowed money; and (ii) is not in default under any instrument or agreement under and subject to which any indebtedness for borrowed money has been issued. No Manager (i) is in default in the payment of the principal of or interest on any indebtedness for borrowed money; and (ii) is in default under any instrument or agreement under and subject to which any indebtedness for borrowed money has been issued.

(i) The Borrower has filed all federal and state income tax returns, if any, which, to the knowledge of the Borrower, are required to be filed and has paid all taxes shown on said returns and all assessments and governmental charges received by it to the extent that they have become due.

(j) The Borrower has reviewed and approved the provisions of the Indenture. By the execution and delivery of this Financing Agreement, the Borrower approves the Indenture and agrees to be bound by all provisions thereof applicable to the Borrower.

(k) To the best of the Borrower's knowledge, no member of the governing body of the Issuer or any other officer of the Issuer has any significant or conflicting interest, financial, employment or otherwise, in the Borrower, the Project or in the transactions contemplated hereby.

(l) The Borrower will not discriminate on the basis of race, creed, color, sex, age, handicap, marital status or national origin in the lease, use or occupancy of the Project or in connection with the employment or application for employment of persons for the operation and management of the Project.

(m) The Borrower will not:

(i) except pursuant to the provisions of this Financing Agreement, the Lease and the Sublease, or except upon a sale, transfer or conveyance of the Project in accordance with the

terms of this Financing Agreement and the Credit Documents, permit the sale, transfer, conveyance or encumbrance of the Project or any part thereof (except for residential rental leases and laundry equipment leases) during the effective term of this Financing Agreement and the Credit Documents, provided this covenant shall not apply to any encumbrance, conveyance or transfer in connection with a sale, transfer or other conveyance of the Project that complies with the requirements of this Financing Agreement and the Credit Documents; or

(ii) demolish any part of the Project or substantially remove from the Project any real or personal property.

(n) The Borrower has not and will not execute any other agreement with provisions contradictory to, or in opposition to, the provisions hereof, and that in any event, the requirements of this Financing Agreement are paramount and controlling as to the rights and obligations herein set forth and supersede any other requirements in conflict with this Agreement.

(o) The Borrower represents, warrants and agrees that if, as a result of fire or other casualty, the Project, or any part thereof, shall be condemned or acquired for public use, the Borrower will use its best efforts to repair and restore the Project to substantially the same condition as existed prior to the event causing such damage or destruction, or to relieve the condemnation, and thereafter to operate the Project in accordance with the terms of this Financing Agreement, the Mortgage and the Credit Documents.

(p) The Borrower acknowledges that the Issuer has made no independent investigation of the matters with respect to which the Borrower has made the representations and warranties set forth in this Section.

Section 2.3. General Tax Representations, Warranties and Covenants of Borrower. The Borrower each further represents, warrants and covenants as follows:

(a) The Borrower will not take any action that would cause interest on the Bonds to be includable in gross income for federal income tax purposes and will take whatever action is reasonably practical after consideration of all alternatives necessary to comply with the requirements of the Code to maintain the exclusion from gross income for federal income tax purposes of the interest on the Bonds. The Borrower will not use the Project or suffer or permit the Project to be used in any manner or to any extent, and will take no action or refrain from taking any action, nor, to the extent within its control, suffer or permit any action to be taken or condition to exist which causes or may cause the interest on the Bonds to be includable in gross income for federal income tax purposes.

(b) The Borrower will comply with the Regulatory Agreement and the Tax Agreement..

Section 2.4. Control of Borrower and Credit Facility Provider. The Borrower represents that the Credit Facility Provider does not control, either directly or indirectly, through one or more intermediaries, the Borrower and that the Borrower does not control, either directly or indirectly, through one or more intermediaries, the Credit Facility Provider. "Control" for this purpose has the meaning give to that term in Section 2(a)(9) of the Investment Company Act of 1940. The Borrower will give written notice to the Trustee and the Remarketing Agent of any transaction that would result in the Borrower controlling or being controlled by the Credit Facility Provider at least 45 days prior to the consummation of that transaction. The Trustee will give written notice to the Bondowners within ten days of the Trustee's receipt of the Borrower's notice.

ARTICLE III

THE LOAN; ISSUANCE OF THE BONDS

Section 3.1. Amount and Source of the Loan; Issuance of Bonds. The Issuer has made the net proceeds received by the Issuer from the sale of the Bonds available to enable the Trustee to fund a loan to the Borrower (the "Loan"), upon the terms and conditions specified herein and in the Indenture. The outstanding principal amount of the Loan as of the Substitution Date is $8,850,000. The Loan shall be evidenced by the Note in the principal amount of $8,850,000 which shall be in substantially the form attached hereto as Exhibit A, executed by the Borrower and made payable to the Trustee.

Section 3.2. Possession and Use of the Project. The Issuer acknowledges that, as between the Issuer and the Borrower, the Borrower shall be the sole legal owner of the Project, and shall be entitled to sole and exclusive possession of the Project.

Section 3.3. No Warranty by Issuer. The Borrower recognizes that, because the components of the Project have been and are to be designated and selected by the Borrower, THE ISSUER HAS NOT MADE AN INSPECTION OF THE PROJECT OR OF ANY FIXTURE OR OTHER ITEM CONSTITUTING A PORTION THEREOF, AND THE ISSUER 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 MATERIAL OR WORKMANSHIP THEREIN, IT BEING AGREED THAT ALL RISKS INCIDENT THERETO ARE TO BE BORNE BY THE BORROWER. IN THE EVENT OF ANY DEFECT OR DEFICIENCY OF ANY NATURE IN THE PROJECT OR ANY FIXTURE OR OTHER ITEM CONSTITUTING A PORTION THEREOF, WHETHER PATENT OR LATENT, THE ISSUER SHALL HAVE NO RESPONSIBILITY OR LIABILITY WITH RESPECT THERETO. THE PROVISIONS OF THIS SECTION HAVE BEEN NEGOTIATED AND ARE INTENDED TO BE A COMPLETE EXCLUSION AND NEGATION OF ANY WARRANTIES OR REPRESENTATIONS BY THE ISSUER, EXPRESS OR IMPLIED, WITH RESPECT TO THE PROJECT OR ANY FIXTURE OR OTHER ITEM CONSTITUTING A PORTION THEREOF, WHETHER ARISING PURSUANT TO THE UNIFORM COMMERCIAL CODE OR ANY OTHER LAW NOW OR HEREAFTER IN EFFECT.

Section 3.4. Loan Payments.

(a) The Borrower will make Loan Payments to the Trustee at its Administrative Office, for the account of the Issuer, for deposit in the Unavailable Moneys Account of the Revenue Fund, in federal or other immediately available funds, during normal business hours on or before 2:00 p.m., New York Time, on each Loan Payment Date, as follows:

(i) the amount of the principal, if any, of the Bonds due and payable on the Loan Payment Date, whether at stated maturity, by redemption or acceleration or otherwise;

(ii) the amount of interest on the Bonds due and payable on the Loan Payment Date, including the amount, if any, for which the Borrower receives notice from the Trustee in accordance with the last sentence of Section 203(a) of the Indenture; and

(iii) the Tender Price of any Bonds required to be purchased pursuant to Article III of the Indenture in the amount described in Section 306(a)(ii) of the Indenture.

Payment of the amount of redemption premium, if any, on the Bonds due and payable on a Bond Payment Date must be made at the time or from a source in order for the payment to constitute Available Moneys.

(b) A Loan Payment will be reduced by the amount received by the Trustee and deposited in the Credit Facility Account by the Loan Payment Date.

(c) Except for such interest of the Borrower as may hereafter arise pursuant to Section 506 of the Indenture, the Borrower and the Issuer each acknowledge that neither the Borrower nor the Issuer has any interest in the Revenue Fund, the Debt Service Fund, the Principal Reserve Fund, the Purchase Fund or the Rebate Fund and any moneys deposited therein shall be in the custody of and held by the Trustee in trust for the benefit of the Bondowners or otherwise as provided in the Indenture.

Section 3.5. Additional Payments.

(a) The Borrower will pay the following amounts to the following persons, all as "Additional Payments" under this Financing Agreement and the Note:

(1) to the Trustee, when due, all reasonable fees and charges for its services rendered under the Indenture, the Note, this Financing Agreement, the Regulatory Agreement and the Tax Agreement and all reasonable fees and expenses (including without limitation the reasonable fees, expenses and charges of any paying agent, bond registrar, counsel, accountant, engineer or other person and attorneys' fees and expenses) incurred in the performance of the duties of the Trustee under the Indenture, the Note, this Financing Agreement, the Regulatory Agreement and the Tax Agreement for which the Trustee and other persons are entitled to repayment or reimbursement;

(2) to the Trustee, upon demand, an amount necessary to pay arbitrage rebate, and the costs of computing arbitrage rebate, in accordance with the Tax Agreement and the Indenture;

(3) to the Issuer, the Issuer's Annual Fee and the other fees and expenses (including attorneys' fees and expenses) incurred by the Issuer at any time, related to the Project, which are not paid from amounts held under the Indenture, including, without limitation, fees and expenses incurred in connection with the interpretation, performance, enforcement or amendment of the Borrower Documents or any other documents relating to the Project or the Bonds or in connection with any federal or state tax audit, or any questions or other matters arising under such documents, promptly upon receipt of an invoice, it being acknowledged by the Borrower that none of the Issuer, the Trustee or the Credit Facility Provider has (i) any liability, responsibility or accountability for the payment, remittance or handling of any fees, costs or expenses described in this subparagraph or (ii) any obligation to pay any of these fees, costs or expenses;

(4) to the Rating Agency, upon demand, the annual rating surveillance fee, if any;

(5) to the appropriate person, all taxes, assessments and charges required to be paid pursuant to Section 5.3;

(6) to the appropriate person, such payments as are required (i) as payment for or reimbursement of any and all reasonable fees, expenses and liabilities (including attorneys' fees and expenses) incurred by the Issuer, the Credit Facility Provider or the Trustee or any of them in satisfaction of any obligations of the Borrower hereunder that the Borrower does not perform, or incurred in the defense of any action or proceeding with respect to the Project, this Financing Agreement, the other Bond Documents or the Indenture, or (ii) as reimbursement for expenses paid, or as prepayment of expenses to be paid, by the Issuer or the Trustee and that are incurred as a result

of a request by the Borrower or a requirement of this Financing Agreement, any other Bond Document or the Indenture and that the Borrower is not otherwise required to pay under this Financing Agreement, any other Bond Document or the Indenture;

(7) to the Tender Agent, when due, all reasonable fees and charges for its services rendered under the Indenture, and all reasonable expenses (including without limitation reasonable fees and charges of any paying agent, bond registrar, counsel, accountant, engineer or other person and attorneys' fees and expenses) incurred in the performance of the duties of the Tender Agent under the Indenture for which the Tender Agent and other persons are entitled to repayment or reimbursement; and

(8) to the appropriate person, any other amounts required to be paid by the Borrower under this Financing Agreement or any other Bond Document.

(b) Any past due Additional Payments shall continue as an obligation of the Borrower until they are paid and shall bear interest (except as may be otherwise provided in the Credit Documents with respect to obligations owed to the Credit Facility Provider) at the Default Rate during the period such Additional Payments remain unpaid.

Section 3.6. Obligations of Borrower Absolute and Unconditional. Subject to Section 10.12, the obligations of the Borrower to make Loan Payments and Additional Payments shall be absolute and unconditional, and the Borrower shall make such payments without abatement, diminution or deduction regardless of any cause or circumstances whatsoever including, without limitation, any defense, set-off, recoupment or counterclaim which the Borrower may have or assert against the Issuer, the Trustee or any other Person.

Section 3.7. Credit Facility; Alternate Credit Facility. The Borrower may provide (without penalty or premium) and the Trustee shall accept any Credit Facility or Alternate Credit Facility, provided that any Credit Facility or Alternate Credit Facility shall meet the requirements of Section 706 of the Indenture and the Borrower shall cause to be delivered to the Issuer and the Trustee an Opinion of Counsel acceptable to the Issuer, the Trustee and the Credit Facility Provider to the effect that (i) the exemption of the Bonds (or any securities evidenced thereby) from the registration requirements of the Securities Act of 1933, as amended, shall not be impaired by the provision of the Credit Facility or the substitution thereof by such Alternate Credit Facility, or (ii) that the applicable registration or qualification requirements of the Securities Act of 1933 shall have been satisfied.

ARTICLE IV

OPERATION OF THE PROJECT

Section 4.1. Operation of the Project. The Borrower represents, warrants, covenants and agrees that the Borrower has obtained or shall obtain all necessary or required permits, licenses, consents and approvals that are material for the operation and maintenance of the Project. The Borrower shall comply with all lawful requirements of any governmental body regarding the use or condition of the Project, whether existing or later enacted, foreseen or unforeseen or whether involving any change in governmental policy or requiring structural or other changes to the Project. Neither the Issuer, the Trustee, the Credit Facility Provider nor their respective assigns are the agents or representatives of the Borrower, and the Borrower is not the agent of the Trustee or the Credit Facility Provider, and this Financing Agreement shall not be construed to make either the Issuer, the Trustee or the Credit Facility Provider liable to materialmen, contractors, subcontractors, craftsmen, laborers or others for goods or services delivered by them in connection with the Project, or for debts or claims accruing to the aforesaid parties against the Borrower.

This Financing Agreement shall not create any contractual relation either expressed or implied between the Issuer, the Trustee or the Credit Facility Provider and any materialmen, contractors, subcontractors, craftsmen, laborers or any other person supplying any work, labor or materials in connection with the Project.

Section 4.2. Environmental Matters. The Borrower hereby irrevocably and unconditionally, agrees to indemnify and hold the Issuer, the Trustee and the Credit Facility Provider harmless from and against, and shall reimburse the Issuer, the Trustee and the Credit Facility Provider for, any and all losses, claims, liabilities, damages, injuries (to person, property, natural resources or otherwise), costs, expenses, actions or causes of action, incurred by or asserted against the Issuer, the Trustee or the Credit Facility Provider arising in connection with any failure by the Borrower to comply with the provisions of the Mortgage relating to hazardous substances, the provisions of which are incorporated by this reference as if fully set forth in this Agreement.

ARTICLE V

MAINTENANCE; TAXES AND INSURANCE; SALE, LEASE ETC. OF PROJECT; LOSS OF OR DAMAGE TO PROJECT

Section 5.1. Maintenance and Modification of Project by Borrower. The Borrower will operate, maintain, preserve, repair, replace or renew any element or unit of the Project in accordance with the
Mortgage.

Section 5.2. No Sale, Lease, Etc. of Project; Exceptions. Except as provided in the Lease, the Sublease, the Credit Documents, Section 10 of the Regulatory Agreement and the last sentence of this Section, the Borrower will not lease the Project (except leases to tenants in the ordinary course of business), in whole or in part, nor sell, mortgage, assign, grant a security interest in or otherwise encumber its interests in the Project, in whole or part; provided that in no event shall such lease, assignment or sale be permitted if any such transaction should release the Borrower of any of its obligations under this Financing Agreement. The Borrower shall give at least 30 days notice to the Trustee and the Issuer of any such sale, assignment or lease, unless the 30 day notice is waived by the Trustee and the Issuer. The Borrower may transfer one or more parcels of the Project Site on which no residential unit is located, with the prior written consent of the Credit Facility Provider and upon the receipt of an Opinion of Bond Counsel, addressed to the Issuer, the Trustee, the Borrower and the Credit Facility Provider, that the transfer, and the retention of any proceeds of the transfer by the Borrower, will not cause interest on the Bonds to be includable in gross income for federal income tax purposes.

Section 5.3. Taxes, Assessments and Other Charges. The Borrower shall pay all taxes, assessments and charges of any kind whatsoever that may at any time be lawfully assessed or levied against or with respect to the Project (including any tax upon or with respect to the income or profits of the Issuer from the Project that, if not paid, would become a charge on the payments to be made under this Financing Agreement prior to or on a parity with the charge thereon created by the Indenture and including ad valorem, sales and excise taxes, assessments and charges upon the Borrower's interest in the Project), all utility and other charges incurred in the operation, maintenance, use, occupancy and upkeep of the Mortgaged Property and all assessments and charges lawfully made by any governmental body for public improvements that may be secured by lien on the Project in accordance with the Mortgage; provided, however, that the Borrower shall not be required to pay any such tax, assessment or charge the payment

of which is being contested in good faith and in accordance with applicable legal requirements and proceedings.

Section 5.4. Use of Project; Change in Use.

(a) The Issuer will not take or cause the Trustee to take any action (other than as provided herein or in the Indenture) to interfere with the Borrower's interest in the Project or to interfere with possession, custody, use and enjoyment of the Project.

(b) The Borrower will not use or operate the Project, or permit the use or operation of the Project for anything other than a housing development without the prior written consent of the Issuer and unless the Issuer, the Trustee and the Credit Facility Provider receive an Opinion of Bond Counsel that any other use will not cause interest on the Bonds to be includable in gross income for federal income tax purposes.

Section 5.5. Insurance Required. The Borrower will keep the Project continuously insured against such risks as are customarily insured against by companies conducting activities similar to those of the Borrower in connection with the Project, and will pay as the same become due all premiums in respect thereof, all as provided in the Mortgage.

Section 5.6. Damage, Destruction, Condemnation or Loss of Title.

(a) The provisions of this Section are subject to the rights of the Credit Facility Provider under the Mortgage.

(b) The Borrower agrees that all right, title and interest of the Borrower in and to any Net Proceeds of any award, compensation, settlement, damages, compromise, voluntary conveyance or insurance proceeds payable in connection with the pending or threatened condemnation or taking, or sale under threat of condemnation or taking, of the Project or a portion thereof for any public or quasi-public use (a "condemnation") or in connection with a deficiency or nonexistence of the title of the Borrower thereto or the lien or priority of the Mortgage (a "loss of title") shall be applied as provided in subsection (d). The Issuer and the Trustee shall cooperate with the Borrower in the handling and conduct of any prospective or pending condemnation proceedings with respect to the Project or any portion thereof; provided, however nothing herein is intended to affect the Issuer's rights to condemn property in accordance with the laws of the State.

(c) The Borrower shall promptly notify the Issuer, the Credit Facility Provider and the Trustee in the case of damage to or destruction of the Project or any portion thereof resulting from fire or other casualty (a "casualty loss") or of a condemnation or loss of title.

(d) In the event of a casualty loss, a condemnation or a loss of title, the Borrower shall comply with the provisions of the Mortgage relating to casualty loss, a condemnation or a loss of title, the provisions of which are incorporated by this reference as if fully set forth herein. Except as otherwise provided in this subsection, any Net Proceeds which have not been applied to the rebuilding, repairing, restoring or replacing of such damage or loss shall constitute a prepayment in whole or in part of the Loan Payments pursuant to Section 9.2 and shall be deposited by the Trustee in the Revenue Fund for application to the redemption of Bonds in accordance with Section 402 of the Indenture at the earliest date for which notice of redemption can be given in accordance with the Indenture. Any Net Proceeds may be applied otherwise if the Borrower causes to be delivered to the Trustee the written consent of the Credit Facility Provider and an Opinion of Bond Counsel that the application of the Net Proceeds will not cause interest on the Bonds to be includable in gross income for federal income tax purposes.

(e) If the Borrower shall use its own funds to complete the repair, reconstruction, restoration, replacement and improvement of the Project lien-free, the Borrower shall not be entitled to any reimbursement from the Issuer, the Trustee, the Credit Facility Provider or the Bondowners or any abatement or diminution of its obligations under this Agreement by reason of any payments made by the Borrower for such purpose in excess of the Net Proceeds. All such repairs, reconstructions, restorations, replacements and improvements, whether from Net Proceeds or from other moneys of the Borrower, shall be a part of the Project and shall be subjected to the lien and security interest of the Mortgage and the Borrower shall take any actions which the Credit Facility Provider, as applicable, reasonably deems necessary or appropriate to so subject them to the Mortgage.

ARTICLE VI

PARTICULAR COVENANTS

Section 6.1. Access to the Project and Inspection; Operation of the Project. The duly authorized agents of the Issuer, the Credit Facility Provider and the Trustee shall have the right, at all reasonable times upon the furnishing of reasonable notice under the circumstances, to enter upon the Project and to examine and inspect the Project, subject to any secrecy regulation or agreement or national security law or regulation of the government of the United States of America and subject to the privacy rights of any tenant. The Borrower will execute, acknowledge and deliver all such further documents and do all such other acts and things as may be necessary to grant to the Issuer, the Credit Facility Provider and the Trustee such right of entry. The duly authorized agents of the Issuer, the Credit Facility Provider and the Trustee shall also be permitted, at all reasonable times upon reasonable notice under the circumstances, to examine the books and records of the Borrower with respect to the Project and the obligations of the Borrower hereunder.

Section 6.2. Financial Statements. The Borrower shall furnish the Credit Facility Provider, the Issuer (at its written request) and the Trustee with copies of its audited (if any) or unaudited financial statements for each of its Fiscal Years within 150 days after the end of the preceding Fiscal Year, accompanied by a certificate of the Authorized Borrower Representative stating in each case (i) that the information contained in such statements is true and correct, and (ii) that, to the best of such person's knowledge after reasonable investigation, no default under the Borrower Documents exists, and if there is such a default, specifying the nature and period of existence thereof and what action, if any, the Borrower is taking or proposes to take with respect thereto.

Section 6.3. Indemnification.

(a) The Borrower releases the Issuer, the Trustee and the Credit Facility Provider, and their directors, officers, agents, and employees and any person who controls the Issuer, the Trustee or the Credit Facility Provider, from, agrees that the Issuer, the Trustee and the Credit Facility Provider, and their officers, agents, attorneys and employees and any person who controls the Issuer, the Trustee or the Credit Facility Provider, shall not be liable for, and indemnifies the Issuer, the Trustee and the Credit Facility Provider, and their officers, agents, and employees and any person who controls the Issuer, the Trustee or the Credit Facility Provider within the meaning of the Securities Act of 1933, against, all liabilities, losses, damages (including attorneys' fees and expenses), causes of action, suits, claims, costs and expenses, demands and judgments of any nature imposed upon or asserted against the Issuer, the Trustee or the Credit Facility Provider, or any of their directors, officers, agents, attorneys and employees and any person who controls the Issuer, the Trustee or the Credit Facility Provider, on account of:

(1) any injury to or death of any person or damage to property in or upon the Project or growing out of or connected with the use, non-use, condition or occupancy of the Project or any part thereof, including any and all acts or operations relating to the construction or installation of property or improvements (this indemnification obligation shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for the Borrower, customers, suppliers or affiliated organizations under any workers' compensation acts, disability benefit acts or other employee benefit acts);

(2) any breach or default on the part of the Borrower in the performance of any covenant or agreement of the Borrower under this Financing Agreement, the Note, the Borrower Documents or any related document, or arising from any act or failure to act by the Borrower, or any of its agents, contractors, servants, employees or licensees;

(3) violation of any law, ordinance, rule, order or regulation affecting the ownership, occupancy or use of the Project;

(4) matters regarding the authorization, issuance and sale of the Bonds attributable to the Borrower, and the provision of any information furnished by the Borrower in connection therewith concerning the Project or the Borrower or arising from (i) any errors or omissions by the Borrower such that the Bonds, when delivered to the Bondowners, are not validly issued and binding obligations of the Issuer, or (ii) any fraud or misrepresentations or omissions contained in the proceedings of the Issuer or the Trustee furnished by or attributable to the Borrower relating to the issuance of the Bonds or pertaining to the financial condition of the Borrower which, if known to the original purchaser of the Bonds, might be considered a material factor in its decision to purchase the Bonds;

(5) failure to pay arbitrage rebate pursuant to Section 3.5(a)(2);

(6) any statement or information relating to the expenditure of the proceeds of the Bonds contained in the Tax Agreement or any certificate executed by the Borrower which, at the time made, is misleading, untrue or incorrect in any material respect;

(7) any untrue statement or alleged untrue statement of a material fact contained in the Remarketing Memorandum related to the remarketing of the Bonds on the Substitution Date (as from time to time amended or supplemented) under the headings "THE BORROWER AND THE PROJECT", "SOURCES AND USES OF FUNDS", "CERTAIN BONDOWNERS' RISKS" and "NO LITIGATION – The Borrower" and applicable portions of "INTRODUCTORY STATEMENT" or arising out of or based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary in order to make the statements therein not misleading, or failure to properly register or otherwise qualify the sale of the Bonds or failure to comply with any licensing or other law or regulation which would affect the manner whereby or to whom the Bonds could be sold; and

(8) any claim or action or proceeding with respect to the matters set forth in subsections (1) through (7) above brought thereon.

(b) The Borrower has covenanted and agreed to indemnify the Issuer, the Trustee and the Credit Facility Provider with respect to certain environmental matters pursuant to Section 4.2.

(c) The Borrower agrees to indemnify the Issuer, the Trustee and the Credit Facility Provider for and to hold them harmless against all liabilities, claims, costs and expenses incurred without negligence

or willful misconduct on the part of the Issuer, the Trustee or the Credit Facility Provider, on account of any action taken or omitted to be taken by the Issuer, the Trustee or the Credit Facility Provider in accordance with the terms of this Financing Agreement, the other Bond Documents, the Bonds or the Indenture or any action taken at the request of or with the consent of the Borrower, including the costs and expenses of the Issuer, the Trustee and the Credit Facility Provider in defending themselves against any such claim, action or proceeding brought in connection with the exercise or performance of any of its powers or duties under this Financing Agreement, the other Bond Documents, the Bonds or the Indenture.

(d) Promptly after receipt by the Issuer, the Trustee, the Credit Facility Provider or any other person indemnified under this Section, as the case may be, of notice of the commencement of any action with respect to which indemnity may be sought against the Borrower under this Section, such person will notify the Borrower in writing of the commencement thereof, and, subject to the further provisions of the paragraph stated, the Borrower shall assume the defense of such action (including the employment of counsel, who shall be counsel satisfactory to the Issuer, the Trustee or such other person as the case may be, and the payment of expenses). Insofar as such action shall relate to any alleged liability with respect to which indemnity may be sought against the Borrower, the Issuer, the Trustee, the Credit Facility Provider or any such other indemnified person shall have the right to employ separate counsel in any such action and to participate in the defense thereof, but the fees and expenses of such counsel shall not be at the expense of the Borrower unless the employment of such counsel has been specifically authorized by the Borrower, is required by the ethical rules of conduct regarding conflicts of interest, or counsel to the Borrower fails to competently assert a defense. The Borrower shall not be liable to indemnify any person for any settlement of any such action effected without its consent.

(e) The indemnification set forth above is intended to and shall include the indemnification of all affected officials, directors, officers, attorneys, accountants, financial advisors, staff and employees of the Issuer, the Trustee and the Credit Facility Provider, respectively. That indemnification is intended to and shall be enforceable by the Issuer, the Trustee and the Credit Facility Provider, respectively, to the full extent permitted by law.

(f) The provisions of this Section shall survive the payment and discharge of the Bonds and the termination of the Indenture and any and all of the Borrower Documents and the resignation or removal of the Trustee.

Section 6.4. Further Assurances and Corrective Instruments. Subject to the Indenture, the Issuer, at the sole expense of the Borrower, and the Borrower from time to time will execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, Supplemental Financing Agreements and such further instruments as may reasonably be required for correcting any inadequate or incorrect description of the Project and for carrying out the intention or facilitating the performance of this Financing Agreement.

Section 6.5. Litigation Notice. The Borrower shall give the Issuer, the Trustee and the Credit Facility Provider prompt notice of any action, suit or proceeding by it or against it at law or in equity, or before any governmental instrumentality or agency, or of any of the same which may be threatened, which, if adversely determined, would materially impair the right of the Borrower to carry on the business which is contemplated in connection with the Project, or would materially and adversely affect its business, operations, properties, assets or condition. Within five Business Days after the filing by or against the Borrower of a petition in bankruptcy, the Borrower shall notify the Issuer, the Trustee and the Credit Facility Provider in writing as to the occurrence of such filing.

Section 6.6. Continuing Disclosure. The Borrower covenants and agrees that, if the Interest Mode for the Bonds is converted to a Semiannual Mode, an Annual Mode or a Multiyear Mode as provided in the Indenture, the Borrower will take all such actions as are necessary and appropriate to comply with and carry out the continuing disclosure requirements of Rule 15c2-12 promulgated by the Securities Exchange Commission. Failure to comply with any of the continuing disclosure requirements will not constitute an Event of Default under this Agreement.

Section 6.7. Notice of Certain Events; Action to be Taken. If the Borrower changes its state of organization, changes its form of organization, changes its name or takes any other action which could affect the proper location for filing of financing statements or continuation statements under the Uniform Commercial Code of the State or any other applicable state or which could render existing filings seriously misleading or invalid, the Borrower shall promptly provide written notice of such change to the Issuer, the Credit Facility Provider and the Trustee and promptly deliver to the Issuer, the Credit Facility Provider and the Trustee such additional information or documentation regarding such change as the Issuer, the Credit Facility Provider or the Trustee, respectively, may reasonably request for the purpose of amendment or re-filing at the sole expense of the Borrower, as may be reasonably determined to be necessary by the Issuer, the Credit Facility Provider or the Trustee and their respective attorneys.

ARTICLE VII

ASSIGNMENT OF ISSUER'S RIGHTS UNDER FINANCING AGREEMENT

Section 7.1. Assignment by the Issuer. The Issuer, by means of the Indenture and as security for the payment of the principal of, purchase price, and redemption premium, if any, and interest on the Bonds, will assign, pledge and grant a security interest in certain of its rights, title and interests in, to and under this Financing Agreement and the Note, including Loan Payments and Additional Payments and other revenues, moneys and receipts received by it pursuant to this Financing Agreement, to the Trustee (reserving its Reserved Rights).

Section 7.2. Restriction on Transfer of Issuer's Rights. The Issuer will not sell, assign, transfer or convey its interests in this Financing Agreement except pursuant to the Indenture.

ARTICLE VIII

EVENTS OF DEFAULT AND REMEDIES

Section 8.1. Events of Default Defined. The term "Event of Default" or "Default" shall mean any one or more of the following events:

(a) failure by the Borrower to make timely payment of any Loan Payment or any Additional Payment, when due in the case of any Loan Payment or within 30 days following the due date in the case of an Additional Payment (10 days in the case of the payment of arbitrage rebate and the costs of calculating arbitrage rebate);

(b) failure by the Borrower to observe and perform any covenant, condition or agreement on the part of the Borrower under this Financing Agreement, the other Bond Documents or the Indenture, other than as referred to in the preceding subparagraph (a) of this Section, for a period of 60 days after written notice of such default has been given to the Borrower, the Credit

Facility Provider and the Trustee by the Credit Facility Provider, the Trustee or the Issuer, during which time such default is neither cured by the Borrower or the Credit Facility Provider nor waived in writing by the Credit Facility Provider or the Trustee and, with respect to the Reserved Rights, waived only by the Issuer; provided that, if the failure stated in the notice cannot be corrected within said 60-day period, the Credit Facility Provider, the Trustee and the Issuer may consent in writing to an extension of such time prior to its expiration and the Credit Facility Provider, the Trustee and the Issuer will not unreasonably withhold their consent to such an extension if corrective action is instituted by the Borrower or the Credit Facility Provider within the 60-day period and diligently pursued to completion and if such consent, in the judgment of the Trustee (in making this determination the Trustee may rely conclusively upon an Opinion of Counsel), does not materially adversely affect the interests of the Bondowners;

(c) any representation or warranty by the Borrower herein or in any certificate or other instrument delivered under or pursuant to this Financing Agreement, the other Bond Documents or in connection with the financing of the Project shall prove to have been false, incorrect, misleading or breached in any material respect on the date when made, unless waived in writing by the Issuer and the Credit Facility Provider;

(d) the occurrence of an Act of Bankruptcy with respect to the Borrower;

(e) the occurrence of an "Event of Default" under the Indenture;

(f) the occurrence of an event of default by the Borrower under the Regulatory Agreement or the Tax Agreement;

(g) the Trustee's receipt of written notice from the Credit Facility Provider that an "Event of Default" has occurred and is continuing under the Credit Facility Agreement;

(h) the occurrence of an event of default under the Base Lease; or

(i) the occurrence of an event of default under the Sublease.

Section 8.2. Remedies on Default.

(a) Subject to the provisions of Section 8.8, whenever an Event of Default has occurred and is continuing, the Trustee, as the assignee of the Issuer, may take any one or more of the following remedial steps; provided that if the principal of all Bonds then Outstanding and the interest accrued thereon shall have been declared immediately due and payable pursuant to the provisions of Section 802 of the Indenture, all Loan Payments for the remainder of the Loan Term shall become immediately due and payable without any further act or action on the part of the Issuer or the Trustee and the Trustee may immediately proceed (subject to the provisions of Section 8.8) to take any one or more of the remedial steps set forth in subparagraph (2) of this subsection:

(1) by written notice to the Borrower declare the outstanding principal of the Loan to be immediately due and payable, together with interest on overdue payments of principal and redemption premium, if any, and, to the extent permitted by law, interest, at the rate or rates of interest specified in the respective Bonds, without presentment, demand or protest, all of which are expressly waived; or

(2) take whatever other action at law or in equity, including causing the appointment of a receiver or receivers for the Borrower or its assets, taking all actions necessary and appropriate to

exercise or to cause the exercise the rights and powers set forth in this Financing Agreement or in the Indenture as may appear necessary or desirable to collect the amounts payable pursuant to the Note or this Financing Agreement then due and thereafter to become due or to enforce the performance and observance of any obligation, agreement or covenant of the Borrower under this Financing Agreement or the Indenture.

(b) In the enforcement of the remedies provided in this Section, the Issuer and the Trustee may treat all expenses of enforcement, including reasonable legal, accounting and advertising fees and expenses, as Additional Payments then due and payable by the Borrower.

(c) Any amount collected pursuant to action taken under this Section shall be paid to the Trustee and applied, first, to the payment of any costs, expenses and fees incurred by the Issuer or the Trustee as a result of taking such action and, next, any balance shall be used to satisfy any Loan Payments then due by payment into the Revenue Fund and applied in accordance with the Indenture and, then, to satisfy any other Additional Payments then due or to cure any other Event of Default.

(d) Notwithstanding the foregoing, neither the Issuer nor the Trustee shall be obligated to take any step that in its respective opinion will or might cause it to expend time or money or otherwise incur liability, unless and until indemnity satisfactory to it has been furnished at no cost or expense to the Issuer or the Trustee, as applicable, except as otherwise provided in Section 901(l) of the Indenture.

(e) The provisions of this Section are subject to the limitation that the annulment of a declaration that the Bonds are immediately due and payable shall automatically constitute an annulment of any corresponding declaration made pursuant to subparagraph (a)(1) of this Section and a waiver and rescission of the consequences of such declaration and of the Event of Default with respect to which such declaration has been made, provided that no such waiver or rescission shall extend to or affect any other or subsequent Default or impair any right consequent thereon. In the event any covenant, condition or agreement contained in this Financing Agreement shall be breached or any Event of Default shall have occurred and such breach or Event of Default shall thereafter be waived by the Issuer, the Trustee or the Credit Facility Provider, as applicable, such waiver shall be limited to such particular breach or Event of Default.

Section 8.3. No Remedy Exclusive. Subject to the provisions of Section 8.8, no remedy herein conferred or reserved is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Financing Agreement or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon Default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Trustee to exercise any remedy reserved to it in this Article, it shall not be necessary to give any notice, other than such notice as may be expressly required in this Agreement, the Indenture or the Credit Documents.

Section 8.4. Agreement to Pay Attorneys' Fees and Expenses. Subject to Section 10.12, in connection with any Event of Default by the Borrower, if the Issuer or the Trustee employs attorneys or incurs other expenses for the collection of amounts payable hereunder or the enforcement of the performance or observance of any covenants or agreements on the part of the Borrower herein contained, the Borrower agrees that it will, on demand therefor, pay to the Issuer and the Trustee the reasonable fees and expenses of such attorneys and such other reasonable expenses so incurred by the Issuer and the Trustee.

Section 8.5. Issuer and Borrower to Give Notice of Default. The Issuer and the Borrower shall each, at the expense of the Borrower, promptly give to the Trustee and the Credit Facility Provider written notice of any Default of which the Issuer or the Borrower, as the case may be, shall have actual knowledge or written notice, but the Issuer shall not be liable for failing to give such notice.

Section 8.6. Performance of Borrower's Obligations. If the Borrower shall fail to keep or perform any of its obligations as provided in this Agreement in respect of (a) maintenance of insurance, (b) payments of taxes, assessments and other charges, (c) repairs and maintenance of the Project, (d) compliance with legal or insurance requirements, and (e) keeping the Project free of all liens other than encumbrances permitted under the Mortgage, or in the making of any other payment or performance of any other obligation, then the Issuer or the Trustee may (but shall not be obligated so to do), and the Trustee, but not the Issuer, shall, at the written direction of the Owners of not less than 51% in aggregate principal amount of the Bonds Outstanding, but only upon the Trustee's receipt of satisfactory indemnity under Section 901(l) of the Indenture, upon the continuance of such failure on the Borrower's part for 15 days after notice of such failure is given to the Borrower by the Issuer, the Trustee or the Bondowners, and without waiving or releasing the Borrower from any obligation hereunder, as an additional but not exclusive remedy, make any such payment or perform any such obligation, and all sums so paid by the Issuer, the Trustee or the Bondowner and all necessary incidental costs and expenses incurred by the Issuer or the Trustee in performing such obligations shall be deemed to be Additional Payments and shall be paid to the Issuer, the Trustee or the Bondowner on demand, plus interest thereon at the Default Rate.

Section 8.7. Remedial Rights Assigned to the Trustee. Upon the execution and delivery of the Indenture, the Issuer will thereby have assigned to the Trustee all rights and remedies conferred upon or reserved to the Issuer by this Financing Agreement, reserving only the Reserved Rights. Subject to the provisions of Section 8.8, the Trustee shall have the exclusive right to exercise such rights and remedies conferred upon or reserved to the Issuer by this Financing Agreement in the same manner and to the same extent, but under the limitations and conditions imposed thereby and hereby. The Trustee, the Credit Facility Provider and the Bondowners shall be deemed third party creditor beneficiaries of all representations, warranties, covenants and agreements contained herein.

Section 8.8. Credit Facility Provider to Direct Trustee. Any provision herein to the contrary notwithstanding, provided no Event of Default described in the Indenture shall have occurred and be continuing (other than pursuant to Section 801(d)(ii) of the Indenture), the Trustee (as assignee of the Issuer and subject to the requirements of Section 901(l) of the Indenture) shall exercise the remedies provided for hereunder and under the Indenture only if and as directed in writing by the Credit Facility Provider, shall not waive any Event of Default without the prior written consent of the Credit Facility Provider, and shall waive such Event of Default at the direction of the Credit Facility Provider; provided that such direction shall not be otherwise than in accordance with the provisions of law and of the Indenture.

ARTICLE IX

PREPAYMENT AND ACCELERATION OF LOAN PAYMENTS

Section 9.1. Prepayment at the Option of the Borrower. Upon the exercise by the Borrower, with the prior written consent of the Credit Facility Provider (which consent may be conditioned by requiring payment in full of the Borrower's obligations pursuant to the Credit Facility Agreement), of its option to cause the Bonds or any portion thereof to be redeemed pursuant to Section 401 of the Indenture, the Borrower shall prepay Loan Payments in whole or in part at the times and at the prepayment prices sufficient to redeem all or a corresponding portion of the Bonds then Outstanding in accordance with said

paragraph. At the written direction of the Borrower such prepayments shall be applied to the redemption of the Bonds in whole or in part in accordance with said Section.

Section 9.2. Prepayment Upon Certain Events. Upon the occurrence of any of the conditions or events set forth in Section 402(a) of the Indenture, the Borrower, with the prior written consent of the Credit Facility Provider, shall have the option to prepay Loan Payments, in whole or in part at any time, at the time and at the prepayment price sufficient to redeem all or a corresponding portion of the Bonds then Outstanding in accordance with said Section.

Section 9.3. [Reserved].

Section 9.4. [Reserved].

Section 9.5. Mandatory Purchase of Bonds. The Borrower will purchase the Bonds, in whole or in part, on demand of the Tender Agent in accordance with Section 304 of the Indenture, at a price equal to the Tender Price of any Bonds required to be purchased pursuant to Section 307 of the Indenture for which the Tender Agent has not received Remarketing Proceeds or the amount of the drawing under the Credit Facility. Purchase of the Bonds will not constitute a prepayment of the Note unless the Borrower presents the resulting Borrower Bonds to the Trustee for cancellation in accordance with the Indenture.

Section 9.6. Right to Prepay at Any Time. The Borrower shall have the option at any time to prepay all of the Loan Payments, Additional Payments and other amounts it is required to pay hereunder by paying to the Trustee all such sums as are sufficient to satisfy and discharge the Indenture and paying or making provision for the payment of all other sums payable hereunder.

Section 9.7. Notice of Prepayment. To exercise an option granted by Section 9.1 or Section 9.2, the Borrower shall give written notice to the Issuer, the Credit Facility Provider and the Trustee which shall specify therein the date upon which a prepayment of Loan Payments will be made, which date shall be not less than 45 days from the date the notice is received by the Trustee. In the Indenture, the Issuer has directed the Trustee to forthwith take all steps (other than the payment of the money required to redeem the Bonds) necessary under the applicable provisions of the Indenture to effect any redemption of the then Outstanding Bonds, in whole or in part, pursuant to Section 401 of the Indenture.

Section 9.8. Precedence of this Article. The rights, options and obligations of the Borrower set forth in this Article may be exercised or shall be fulfilled, as the case may be, whether or not a Default exists hereunder, provided that such Default will not result in nonfulfillment of any condition to the exercise of any such right or option and provided further that no amounts payable pursuant to this Financing Agreement shall be prepaid in part during the continuance of an Event of Default described in Section 8.1(a).

ARTICLE X

MISCELLANEOUS

Section 10.1. Authorized Representatives.

(a) Whenever under this Financing Agreement the approval of the Issuer is required or the Issuer is required or permitted to take some action, such approval shall be given or such action shall be taken by the Authorized Issuer Representative, and the Borrower, the Credit Facility Provider and the Trustee shall be authorized to act on any such approval or action. Any approval shall not be unreasonably withheld or delayed.

(b) Whenever under this Financing Agreement the approval of the Borrower is required or the Borrower is required or permitted to take some action, such approval shall be given or such action shall be taken by the Authorized Borrower Representative, and the Issuer, the Credit Facility Provider and the Trustee shall be authorized to act on any such approval or action. Any approval shall not be unreasonably withheld or delayed.

(c) Whenever under this Financing Agreement the approval of the Credit Facility Provider is required or the Credit Facility Provider is required or permitted to take some action, such approval shall be given or such action shall be taken by an Authorized Credit Facility Provider Representative, and the Issuer, the Borrower and the Trustee shall be authorized to act on any such approval or action. Any approval shall not be unreasonably withheld or delayed.

Section 10.2. Term of Financing Agreement. This Financing Agreement shall be effective from and after its execution and delivery and shall continue in full force and effect until the date the Bonds are deemed to be paid within the meaning of Article XII of the Indenture and provision has been made for paying all other sums payable by the Borrower to the Issuer, the Trustee, the Credit Facility Provider and the paying agents for the Bonds under this Financing Agreement and the Indenture to the date of the retirement of the Bonds. All agreements, covenants, representations and certifications by the Borrower as to all matters affecting the status of the interest on the Bonds and the indemnification provided by Section 4.2 and Section 6.3 shall survive the termination of this Financing Agreement.

Section 10.3. Notices. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when given in the manner specified in Section 1302 of the Indenture. A duplicate copy of each notice, certificate or other communication given under this Agreement to any party will be given to all other parties. The Issuer, the Borrower, the Credit Facility Provider or the Trustee may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent to it.

Section 10.4. Performance Date Not a Business Day. If the last day for performance of any act or the exercising of any right, as provided in this Financing Agreement, shall not be a Business Day, such payment may be made or act performed or right exercised on the next succeeding Business Day.

Section 10.5. Binding Effect. This Financing Agreement shall inure to the benefit of and shall be binding upon the Issuer, the Borrower and their respective successors and assigns, subject to the provisions contained in Section 5.2.

Section 10.6. Amendments, Changes and Modifications. Except as otherwise provided in this Financing Agreement or in the Indenture, subsequent to the issuance of Bonds and prior to all of the Bonds being deemed to be paid in accordance with Article XII of the Indenture and provision being made for the payment of all sums payable under the Indenture in accordance with Article XII of the Indenture, this Financing Agreement may not be effectively amended, changed, modified, altered or terminated except by a written instrument between the Issuer and the Borrower, and with the prior concurring written consent of the Trustee and the Credit Facility Provider, as required under the Indenture.

Section 10.7. Extent of Covenants of the Issuer; No Personal or Pecuniary Liability.

(a) All covenants, obligations and agreements of the Issuer contained in this Financing Agreement, the other Bond Documents to which the Issuer is a part, and the bonds shall be effective to the extent authorized and permitted by applicable law. No such covenant, obligation or agreement shall be deemed to be a covenant, obligation or agreement of any present or future officer, agent or employee of the

Issuer in other than his official capacity, and no official executing the Bonds shall be liable personally on the Bonds or be subject to any personal liability or accountability by reason of the issuance thereof or by reason of the covenants, obligations or agreements of the Issuer contained in this Financing Agreement, any other Bond Document to which the Issuer is a party or the Bonds. No provision, covenant or agreement contained in this Financing Agreement, any other Bond Document to which the Issuer is a party or the Bonds, or any obligation herein or therein imposed upon the Issuer, or the breach thereof, or any action taken by the Issuer or failure to take any action, shall constitute or give rise to or impose upon the Issuer a pecuniary liability or a charge. In acting under this Financing Agreement, any other Bond Document to which the Issuer is a party or the Bonds, or any obligation herein or therein imposed upon the Issuer, or in refraining from acting under any of the aforesaid agreements or instruments, the Issuer may conclusively rely on the advice of its counsel.

(b) It is expressly understood and agreed by the Borrower and the Trustee that:

(i) the Issuer may rely exclusively on the truth and accuracy of any certificate, opinion, notice or other instrument furnished to the Issuer by the Trustee, the Borrower or the Credit Facility Provider as to the existence of any fact or state of affairs required under this Financing Agreement;

(ii) the Issuer shall not be under any obligation to perform any record keeping or to provide any legal services, it being understood that such services shall be performed or caused to be performed by the Trustee, the Borrower or the Credit Facility Provider; and

(iii) none of the provisions of this Financing Agreement shall require the Issuer to expend or risk its own funds (other than the proceeds of the Bonds) or otherwise to incur financial liability in the performance of any of its duties or in the exercise of any of its rights or powers under this Financing Agreement unless the Issuer has first been adequately indemnified to its satisfaction against the costs, expenses and liability which may be incurred thereby.

Section 10.8. Net Loan. The parties hereto agree (a) that the payments of Loan Payments are designed to provide the Issuer and the Trustee with moneys adequate in amount to pay all principal of, purchase price, redemption premium, if any, and interest accruing on the Bonds as the same become due and payable, (b) that to the extent that the payments of Loan Payments are not sufficient to provide the Issuer and the Trustee with funds sufficient for the purposes aforesaid, the Borrower shall be obligated to pay, and it does hereby covenant and agree to pay, upon demand therefor, as Additional Payments, such further moneys, in cash, as may from time to time be required for such purposes, and (c) that if after the principal of, redemption premium, if any, and interest on the Bonds and all costs incident to the payment of the Bonds have been paid in full the Trustee or the Issuer holds unexpended funds received in accordance with the terms hereof, such unexpended funds shall, after payment therefrom of all sums then due and owing by the Borrower under the terms of this Financing Agreement, be distributed in accordance with the Indenture.

Section 10.9. Security Interests.

(a) In accordance with Section 708 and Section 901(c) of the Indenture, the Trustee, at the expense of the Borrower, shall file and record, or cause to be filed and recorded, certain continuation statements or supplements thereto pursuant to the provisions of the Uniform Commercial Code or other similar law to preserve and protect the security interest of the Trustee in the Trust Estate and the Note. The Borrower authorizes the Trustee, in accordance with Section 901(c) of the Indenture, at the expense of the Borrower, to file and record or cause to be filed and recorded such other instruments from time to time pursuant to the provisions of the Uniform Commercial Code or other similar law to preserve and protect (i) the lien and security interest thereof upon, and the title of the Borrower to, the Project and (ii) the lien

and security interest of the Trustee in the Trust Estate, and from time to time to perform or cause to be performed any other act as provided by law and to execute or cause to be executed any and all continuation statements and further instruments for such publication, perfection and protection. Except to the extent it is exempt therefrom, the Borrower will pay or cause to be paid all filing, registration and recording fees incident to such filing, registration and recording, and all expenses incident to the preparation, execution and acknowledgment of such instruments of further assurance, and all federal or State fees and other similar fees, duties, imposts, assessments and charges arising out of or in connection with the execution and delivery of this Agreement, the Note, the Indenture and such instruments of further assurance.

(b) If the Borrower changes its state of organization, changes its form of organization, changes its name or takes any other action which could affect the proper location for filing of financing statements or continuation statements under the Uniform Commercial Code or which could render existing filings seriously misleading or invalid, the Borrower shall promptly provide written notice of such change to the Issuer, the Credit Facility Provider and the Trustee and promptly deliver to the Issuer, the Credit Facility Provider and the Trustee such additional information or documentation regarding such change as the Issuer, the Credit Facility Provider or the Trustee, respectively, may reasonably request for the purpose of amendment or re-filing at the sole expense of the Borrower, as may be reasonably determined to be necessary by the Issuer or the Trustee and their respective attorneys.

(c) The Issuer shall have no responsibility for the preparation, filing or recording of any instrument, document or financing statement or for the maintenance of any security interest intended to be perfected thereby. The Issuer will execute such instruments as may be reasonably necessary in connection with such filing or recording.

Section 10.10. Borrower Representations. All representations made in this Agreement by the Borrower are based on the Borrower's independent investigation of the facts and law, and accordingly no such representations are made in reliance upon any representations made or legal advice given by the Issuer, Bond Counsel, the Trustee or any of their agents, officers or employees.

Section 10.11. Execution in Counterparts. This Financing Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 10.12. Non-Recourse Obligation. The personal liability of the Borrower and the members of the Borrower shall be limited to available Project revenues and any collateral securing the obligations of the Borrower under this Financing Agreement, the Indenture, or the Bonds, but this limitation of liability shall not prejudice the right of the Trustee, as beneficiary to enforce or foreclose on any other security given for the payment of the obligations of the Borrower under this Financing Agreement, the Indenture or the Bonds, or to exercise any of its remedies at law in accordance with the Bond Documents, and in furtherance thereof naming the Borrower but not any of its members as a party defendant in any action or proceeding to enforce the same. The Borrower and the Manager shall not be exonerated or exculpated for any loss or deficiency suffered or sustained by the Issuer or the Trustee as a result of:

(a) any fraud or false representations by the Borrower or the Manager with regard to any matter relating to this Financing Agreement and the security therefor;

(b) misappropriation or intentional misapplication of insurance or condemnation proceeds;

(c) collection of rents for more than one month in advance or failure to apply rents to current maintenance, repair and taxes while an Event of Default exists under this Financing Agreement;

(d) permitting or suffering to occur any intentional waste of all or any portion of the Project;

(e) failure to comply with any law, governmental standard or regulation applicable to the Borrower, the Manager or the Premises with respect to hazardous substances or a misrepresentation of the Borrower or the Manager with respect to the same; or

(f) any willful misconduct or gross negligence of the Borrower or the Manager resulting in loss or damage to the Project.

Section 10.13. Electronic Transactions. The transactions described in this Financing Agreement and the other Bond Documents may be conducted and related documents may be stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law. Unless otherwise specifically instructed in an Opinion of Bond Counsel or to the extent otherwise provided in this Indenture, the Trustee shall retain and maintain these records until three years following the final maturity of (i) the Bonds or (ii) any obligation issued to refund the Bonds. Any records maintained electronically must comply with Section 4.01 of Revenue Procedure 97-22.

Section 10.14. Severability. If any provision of this Financing Agreement, or any covenant, stipulation, obligation, agreement, act or action, or part thereof made, assumed, entered into or taken thereunder, or any application of such provision, is for any reason held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Financing Agreement or any other covenant, stipulation, obligation, agreement, act or action, or part thereof, made, assumed, entered into, or taken, each of which shall be construed and enforced as if such illegal or invalid portion were not contained herein. Such illegality or invalidity of any application thereof shall not affect any legal and valid application thereof, and each such provision, covenant, stipulation, obligation, agreement, act or action, or part thereof, shall be deemed to be effective, operative, made, entered into or taken in the manner and to the full extent permitted by law.

Section 10.15. Governing Law. This Financing Agreement shall be governed by and construed in accordance with the laws of the State.

[*remainder of this page intentionally left blank*]

IN WITNESS WHEREOF, the Issuer, the Trustee and the Borrower have caused this Financing Agreement to be executed in their respective names.

CITY OF MISSION, KANSAS

By _____
Name: Steve Schowengerdt
Title: Mayor

UMB BANK, N.A., as Trustee

By _____
Name: _____
Trustee: _____

WHISPERING FALLS, L.L.C., a Kansas limited liability company

By: OCF ASSOCIATES, L.L.C., a Kansas limited liability company, Manager

By: PFF, Inc., a Kansas corporation, Member

By: _____
Name: Paul Fingersh
Title: President

EXHIBIT A

AMENDED AND RESTATED MULTIFAMILY NOTE

$8,850,000.00 March 15, 2016

FOR VALUE RECEIVED, WHISPERING FALLS, L.L.C., a Kansas limited liability company (the "Borrower") promised to pay in lawful money of the United States of America to the order of UMB BANK, N.A., St. Louis, Missouri, as trustee (the "Trustee"), its successors or assigns, the principal sum of EIGHT MILLION EIGHT HUNDRED FIFTY DOLLARS ($8,850,000.00), with interest thereon from the date of delivery hereof at the rates per annum on the outstanding principal balance hereon from time to time as provided in the hereinafter referred to Indenture. Terms not otherwise defined in this Amended and Restated Multifamily Note shall have the respective meanings as set forth in the Indenture (defined below).

THIS NOTE AMENDS AND RESTATES IN FULL THE MULTIFAMILY NOTE DATED NOVEMBER 8, 1999 IN THE AMOUNT OF $9,350,000 FROM THE BORROWER TO THE TRUSTEE.

The principal and interest on this Note shall be payable in installments at the times and in the amounts determined as provided in Section 3.4 of the Amended and Restated Financing Agreement dated as of March 1, 2016 (the "Financing Agreement"), among Borrower, the City of Mission, Kansas (the "Issuer") and the Trustee, with the final payment of all outstanding principal and interest on this Note to be paid on December 15, 2034; however, the obligation of the Borrower to make any payment hereunder shall be deemed satisfied and discharged to the extent of the corresponding payment made by the Credit Facility Provider to the Trustee under the Credit Facility. Both principal and interest under this Note shall be payable at the Administrative Office of the Trustee. The Borrower may make prepayments upon this Note as provided in the Financing Agreement, with such prepayments being first applied to interest and next to principal.

This Note is made pursuant to the Financing Agreement wherein, among other things, the Issuer deposited proceeds of its Variable Rate Demand Multifamily Housing Revenue Bonds (The Falls Apartment Project) Series 1999 (the "Bonds") in the aggregate principal amount of $9,350,000, with the Trustee in order to make a loan to the Borrower. The Bonds are issued by the Issuer pursuant to an Amended and Restated Trust Indenture dated as of March 1, 2016 (the "Indenture"), between the Issuer and the Trustee.

Upon the occurrence of any Event of Default as described in Section 8.1 of the Financing Agreement, all unpaid principal of and interest on this Note may be declared to be forthwith due and payable in the manner and with the effect provided in the Financing Agreement. Failure to exercise this option shall not constitute a waiver of the right to exercise the same in the event of any subsequent occurrence of such an Event of Default.

If this Note shall be placed in the hands of an attorney or attorneys for collection, the Borrower agrees to pay, in addition to the amount due hereon, the reasonable costs and expenses of collection, including reasonable attorneys' fees.

The obligations of the Borrower to make Loan Payments and Additional Payments shall be absolute and unconditional, and the Borrower shall make such payments without abatement, diminution or deduction regardless of any cause or circumstances whatsoever including, without limitation, any defense, set-off, recoupment or counterclaim which the Borrower may have or assert against the Issuer, the Trustee or any other Person.

The personal liability of the Borrower and the members of the Borrower shall be limited to available Project revenues and any collateral securing the obligations of the Borrower under the Financing Agreement, the Indenture, or the Bonds, but this limitation of liability shall not prejudice the right of the Trustee, as beneficiary to enforce or foreclose on any other security given for the payment of the obligations of the Borrower under the Financing Agreement, the Indenture or the Bonds, or to exercise any of its remedies at law in accordance with the Bond Documents, and in furtherance thereof naming the Borrower but not any of its members as a party defendant in any action or proceeding to enforce the same. The Borrower and the Manager shall not be exonerated or exculpated for any loss or deficiency suffered or sustained by the Issuer or the Trustee as a result of:

(a) any fraud or false representations by the Borrower or the Manager with regard to any matter relating to the Financing Agreement and the security therefor;

(b) misappropriation or intentional misapplication of insurance or condemnation proceeds;

(c) collection of rents for more than one month in advance or failure to apply rents to current maintenance, repair and taxes while an Event of Default exists under the Financing Agreement;

(d) permitting or suffering to occur any intentional waste of all or any portion of the Project;

(e) failure to comply with any law, governmental standard or regulation applicable to the Borrower, the Manager or the Premises with respect to hazardous substances or a misrepresentation of the Borrower or the Manager with respect to the same; or

(f) any willful misconduct or gross negligence of the Borrower or the Manager resulting in loss or damage to the Project.

All parties to this Note, whether principal, surety, guarantor or endorser, hereby waive presentment for payment, demand, protest, notice or protest and notice of dishonor.

Signed this March 15, 2016.

WHISPERING FALLS, L.L.C., a Kansas limited liability company

By: By: OCF ASSOCIATES, L.L.C., a Kansas limited liability company, Manager

By: PFF, Inc., a Kansas corporation, Member

By: _____
Name: Paul Fingersh
Title: President

Gilmore & Bell Draft
January 22, 2016
First Amend to Regulatory Agr-1

[SPACE ABOVE THE LINE FOR RECORDING PURPOSES ONLY]

FIRST AMENDMENT TO
AMENDED AND RESTATED LAND USE RESTRICTION AGREEMENT
DATED AS OF MARCH 1, 2016

Amending the

AMENDED AND RESTATED LAND USE RESTRICTION AGREEMENT
DATED AS OF DECEMBER 1, 1999
RECORDED AT BOOK 6411, PAGE 103
JOHNSON COUNTY REGISTER OF DEEDS

among

CITY OF MISSION, KANSAS,
as Issuer

UMB BANK, N.A.,
as Trustee

and

WHISPERING FALLS, L.L.C.,
as Borrower

Relating to:

City of Mission, Kansas
Multifamily Housing Revenue Refunding Bonds
(The Falls Apartments Project)
Series 1999

RECORDING REQUESTED BY AND
WHEN RECORDED RETURN TO:

Lisa S. Russell
Gilmore & Bell, P.C.
2405 Grand Boulevard, Suite 1100
Kansas City, Missouri 64108

FIRST AMENDMENT TO
AMENDED AND RESTATED LAND USE RESTRICTION AGREEMENT

THIS **FIRST AMENDMENT TO AMENDED AND RESTATED LAND USE RESTRICTION AGREEMENT** (this "First Amendment") is made and entered into as of March 1, 2016, among the **CITY OF MISSION, KANSAS**, a municipal corporation and political subdivision organized and existing under the laws of the State of Kansas (the "Issuer"), **UMB BANK, N.A.**, a national banking association, successor to State Street Bank and Trust Company of Missouri, N.A., as trustee (the "Trustee"), and **WHISPERING FALLS, L.L.C.**, a Kansas limited liability company (together with its successors and assigns in its capacity as owner of the Project, the "Borrower"), amending the Amended and Restated Land Use Restriction Agreement dated as of December 1, 1999 (the "Original Regulatory Agreement"), recorded in the records of the Register of Deeds of Johnson County, Kansas as Book 6411, Page 103.

RECITALS:

1. The Issuer is authorized under the provisions of K.S.A. 12-1740 to 12-1749d, inclusive, and K.S.A. 10-116a, as amended (the "Act"), to purchase, acquire, construct, improve and equip certain facilities within its jurisdiction for industrial purposes, to enter into leases and lease-purchase agreements with any person, firm or corporation for said facilities, to issue revenue bonds for the purpose of paying the cost of any such facilities, to pledge the income and revenues to be derived from the operation of such facilities to secure the payment of the principal of and interest on such bonds and to refund its outstanding bonds by the issuance of its refunding bonds.

2. Pursuant to the Act, the Issuer refinanced a 435-unit multifamily housing facility known as The Falls Apartments located in Mission, Kansas (the "Project") by the issuance of its $9,350,000 Multifamily Housing Revenue Refunding Bonds (The Falls Apartments Project) Series 1999 (the "Bonds").

3. The Bonds were issued pursuant to the Trust Indenture dated as of December 1, 1999 (the "Original Indenture") between the Issuer and State Street Bank and Trust Company of Missouri, N.A., predecessor to the Trustee. The proceeds of the Bonds were loaned to Whispering Falls, L.L.C., a Kansas limited liability company (the "Borrower") pursuant to the terms and provisions of the Financing Agreement dated as of December 1, 1999 (the "Original Financing Agreement") among the Issuer, State Street Bank and Trust Company of Missouri, N.A., predecessor to the Trustee, and the Borrower.

4. In connection with the issuance of the Bonds, Fannie Mae (the "Original Credit Facility Provider") agreed to facilitate the refinancing of the Project by providing credit enhancement and liquidity support for the Bonds pursuant to, and subject to the limitations of, a Collateral Agreement dated December 8, 1999 (the "Collateral Agreement"), between Fannie Mae and the Trustee.

5. The Original Indenture and the Original Financing Agreement provide that the Borrower may cause the delivery of an Alternate Credit Facility.

6. Pursuant to the Original Indenture and the Original Financing Agreement, the Borrower has exercised its right to provide an Alternate Credit Facility to secure the Bonds on March 15, 2016 (the "Substitution Date").

7. To provide for credit enhancement and liquidity for the Bonds, the Borrower is causing U.S. Bank National Association (the "Credit Facility Provider") to deliver an irrevocable direct-pay letter of credit (the "Credit Facility") as an Alternate Credit Facility (within the meaning of the Original Indenture) on the Substitution Date.

8. In connection with the delivery of the Credit Facility the Original Indenture is being amended and restated pursuant to the Amended and Restated Trust Indenture dated as of March 1, 2016 (the "Indenture") between the Issuer and the Trustee, and the Original Financing Agreement is being amended and restated pursuant to the Amended and Restated Financing Agreement dated as of March 1, 2016 (the "Financing Agreement"), among the Issuer, the Borrower and the Trustee.

9. In connection with the issuance of the Bonds, the Issuer, the Borrower and the Trustee entered into the Original Regulatory Agreement (as amended by this First Amendment and as further amended, modified or restated from time to time, the "Regulatory Agreement") relating to the real property described on Exhibit A to preserve the exclusion of the interest on the Bonds from gross income for federal income tax purposes.

10. The Issuer, the Trustee and the Borrower desire to enter into this First Amendment in connection with the delivery of the Credit Facility.

AGREEMENT:

The Issuer, the Borrower and the Trustee agree that the Original Regulatory Agreement is amended and supplemented as provided in this First Amendment.

SECTION 1. Amendments to Original Regulatory Agreement.

(a) References to the Indenture and the Financing Agreement. All references to the term "Indenture" in the Original Lease shall mean the Amended and Restated Trust Indenture dated as of March 1, 2016, between the Issuer and the Trustee, as supplemented and amended from time to time, and all references to the term "Financing Agreement" in the Original Lease shall mean the Amended and Restated Financing Agreement dated as of March 1, 2016, among the Issuer, the Trustee and the Borrower, as supplemented and amended from time to time.

(b) References to Mortgage Loan Documents. The definition of "Mortgage Loan Documents" and all references to such term in the Original Regulatory Agreement are hereby deleted and are of no further force and effect; provided, however, the reference to "Mortgage Loan Documents" contained in each of **Sections 10(a)** and **17(e)** of the Original Regulatory Agreement shall be replaced with the term "Mortgage" in each instance and the references to "Mortgage Loan Documents" in the first sentence of **Section 15(d)** of the Original Regulatory Agreement shall be replaced with the term "Bond Documents."

(c) Provisions Relating to Fannie Mae and the Collateral Agreement. The second sentence of **Section 15(d),** and **Sections 15(e)** and **16(c)** of the Original Regulatory Agreement are hereby deleted in their entirety.

(d) References to Fannie Mae. All other references to Fannie Mae in the Original Regulatory Agreement are hereby deleted and are of no further force and effect; provided, however, that the references to Fannie Mae contained in the definition of "Bond Counsel" and in each of **Sections 10(c)**, **17(e)** and **22** of the Original Regulatory Agreement shall be replaced with the term "Credit Facility Provider" in each instance.

(e) References to the Servicer. The definition of "Servicer" in the Original Regulatory Agreement is hereby deleted. All references to "Servicer" in the Original Regulatory Agreement

shall be replaced with the term "Credit Facility Provider." The notice address for the Credit Facility Provider shall be:

U.S. Bank National Association
120 West 12th Street, Suite 510
Kansas City, Missouri 64105
Attention: Loan Administration Manager

(f) References to Indemnification Provisions of the Financing Agreement. The reference to "Section 5.9 of the Financing Agreement" contained in each of **Sections 11(d), 19** and **20(c)** of the Original Regulatory Agreement shall be replaced with a reference to "Section 6.3 of the Financing Agreement" in each instance.

SECTION 2. Severability. If any provision of this First Amendment shall be held or deemed to be or shall, in fact, be illegal, inoperative or unenforceable, the same shall not affect any other provisions hereof or render the same invalid, inoperative or unenforceable to any extent whatsoever.

SECTION 3. Counterparts. This First Amendment may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 4. Governing Law. This First Amendment shall be governed by and construed in accordance with the laws of the State of Kansas.

SECTION 5. Effective Date; Original Regulatory Agreement Remains in Effect. This First Amendment is effective from and after the Substitution Date. The Issuer, the Trustee and the Borrower acknowledge and agree that, except as expressly amended by this First Amendment, the provisions of the Original Regulatory Agreement remain in full force and effect.

SECTION 6. Electronic Transactions. The transactions described herein may be conducted and related documents may be sent, received or stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

[*remainder of this page intentionally left blank*]

IN WITNESS WHEREOF, the Issuer, the Borrower and the Trustee have executed this First Amendment by their duly authorized signatories, all as of the date first written above.

CITY OF MISSION, KANSAS

By: _____
Name: Steve Schowengerdt
Title: Mayor

ACKNOWLEDGMENT

STATE OF KANSAS)
) SS.
COUNTY OF JOHNSON)

This instrument was acknowledged before me on this ____ day of March, 2016, by Steve Schowengerdt, as Mayor of the City of Mission, Kansas, a municipal corporation and political subdivision organized and existing under the laws of the State of Kansas.

_____
Notary Public

[SEAL]

My commission expires: _____

WHISPERING FALLS, L.L.C., a Kansas limited liability company

By: OCF ASSOCIATES, L.L.C., a Kansas limited liability company, Manager

By: PFF, Inc., a Kansas corporation, Member

By: _____
Name: Paul Fingersh
Title: President

ACKNOWLEDGMENT

STATE OF MISSOURI)
) SS
COUNTY OF JACKSON)

This instrument was acknowledged before me on this ____ day of March, 2016, by Paul S. Fingersh, as President of PFF, Inc., a Kansas corporation, member of OCF Associates, L.L.C., a Kansas limited liability company, manager of Whispering Falls, L.L.C., a Kansas limited liability company.

_____
Notary Public

[SEAL]

My commission expires: _____

UMB BANK, N.A., as Trustee

By: _____
Name: _____
Title: _____

ACKNOWLEDGMENT

STATE OF MISSOURI)
) SS.
CITY OF ST. LOUIS)

This instrument was acknowledged before me on this ____ day of March, 2016, by _____, as _____ of UMB Bank, N.A., a national banking association.

_____
Notary Public

[SEAL]

My commission expires: _____

EXHIBIT A

LEGAL DESCRIPTION

[To be inserted.]

Gilmore & Bell Draft
February [12], 2016
Tax Agreement-2

TAX COMPLIANCE AGREEMENT

Dated as of March 1, 2016

among

CITY OF MISSION, KANSAS,
as Issuer

WHISPERING FALLS, L.L.C,
as Borrower

and

UMB BANK, N.A.,
as Trustee

Relating to

$8,850,000
Multifamily Housing Revenue Bonds
(The Falls Apartment Project)
Series 1999

of the

City of Mission, Kansas

TAX COMPLIANCE AGREEMENT

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* * *

TAX COMPLIANCE AGREEMENT

THIS TAX COMPLIANCE AGREEMENT dated as of March 1, 2016 (this "Tax Agreement"), among the **CITY OF MISSION, KANSAS**, a municipal corporation and political subdivision organized and existing under the laws of the State of Kansas (the "Issuer"), **WHISPERING FALLS, L.L.C.**, a Kansas limited liability company, and its successors and assigns (the "Borrower"), and **UMB BANK, N.A.**, a national banking association organized and existing under the laws of the United States of America, now serving as trustee under the Indenture, as hereinafter defined (the "Trustee"), successor to State Street Bank and Trust Company of Missouri, N.A. (the "Original Trustee").

RECITALS

1. This Tax Agreement is being executed and delivered in connection with the modification of certain terms of the Issuer's Multifamily Housing Revenue Refunding Bonds (The Falls Apartments Project) Series 1999 (the "Refunded Obligations") issued in the original principal amount of $9,350,000. The Refunded Obligations were issued under a Trust Indenture dated as of December 1, 1999 (the "Original Indenture"), between the Issuer and the Original Trustee. The proceeds of the Refunded Obligations were loaned to the Borrower under a Financing Agreement dated as of December 1, 1999 (the "Original Financing Agreement"), among the Issuer, the Original Trustee, and the Borrower.

2. The Borrower used the proceeds of the Refunded Obligations to refund the Issuer's Variable Rate Demand Multifamily Housing Revenue Bonds, Series A 1990 (Rockview Apartments Project) (the "Original Obligations"). Proceeds of the Original Obligations and other sources of funds were used to acquire, rehabilitate, and equip a residential rental project (the "Project").

3. The Issuer, the Borrower, and the Trustee are entering into an Amended and Restated Financing Agreement (the "Financing Agreement") and an Amended and Restated Trust Indenture (the "Indenture"), both dated as of March 1, 2016, which amend the terms of the Original Indenture and the Original Financing Agreement and provides for an alternate credit facility for the Bonds.

4. Gilmore & Bell, P.C. ("Bond Counsel") has determined that the modifications to the terms of the Refunded Obligations will cause the Refunded Obligations to be treated as redeemed, currently refunded, and reissued as of the below-defined Issue Date. In this Tax Agreement, the Refunded Obligations outstanding the day before the Issue Date are referred to as the "Refunded Bonds," and the reissued Refunded Obligations are referred to as the "Bonds."

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

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

7. The Issuer adopted a Tax-Advantaged Financing Compliance Procedure on March 21, 2012 (the "Tax Compliance Procedure") for the purpose of setting out general procedures for the Issuer to

continuously monitor and comply with the federal income tax requirements set out in the Code and the Regulations.

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

AGREEMENT

ARTICLE I

DEFINITIONS

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

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

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

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

"Bond Compliance Agent" means the Trustee acting as Bond Compliance Agent within the meaning of the Tax Agreement and not in its capacity as Trustee.

"Bond Compliance Officer" means the Issuer's Finance Director or other person named by the Issuer in accordance with the Tax Compliance Procedure.

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

"Bond Year" means each one-year period (or shorter period for the first Bond Year) ending March 1, or another 1-year period selected by the Issuer.

"Borrower" means Whispering Falls, L.L.C., a Kansas limited liability company.

"Borrower Bond Compliance Officer" means any officer authorized to execute documents on behalf of the general partner of the Borrower, or any successor appointed by the general partner to act as Borrower Bond Compliance Officer, with written notice to the Issuer and the Bond Compliance Agent; or as may be indicated in the delivery of an annual compliance checklist.

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

"Computation Date" means each date on which arbitrage rebate for the Bonds is computed. The Issuer (a) may treat the last day of any Bond Year ending on or before the latest date on which the first rebate amount is required to be paid (60 days after the fifth anniversary of the Issue Date) as a Computation Date, but may not change that treatment after the first required payment date, and (b) after the first required payment date, must consistently treat either the end of each Bond Year or the end of each fifth Bond Year as a Computation Date and may not change these dates after the first required payment date. In addition, the date the last Bond is discharged is the final Computation Date. The Issuer selects March 1, 2021 as the first Computation Date but reserves the right to select a different date consistent with the Regulations.

"**Credit Bank"** means U.S. Bank National Association, and its successors and assigns, as issuer of the Credit Facility, or any issuer of an alternate or substitute Credit Facility pursuant to the Indenture.

"Credit Facility" means the direct-pay Letter of Credit issued by the Credit Bank concurrently with the issuance of the Bonds in order to secure the timely payment of the principal of and interest on the Bonds, and payment of the purchase price of tendered Bonds as described in the Indenture, or any Alternate Credit Facility.

"Final Written Allocation" means the written allocation of expenditures of proceeds of the Original Obligations as set forth on **Exhibit A**.

"Financed Facility" means the assets and facilities financed with the proceeds of the Original Obligations as described on **Exhibit A**.

"Financing Agreement" means the Original Financing Agreement as amended and restated by the Amended and Restated Financing Agreement dated as of March 1, 2016, among the Issuer, the Trustee, and the Borrower, as may be supplemented, restated or amended from time to time in accordance with its provisions.

"Gross Proceeds" means (a) any amounts held in a sinking fund for the Bonds, (b) any amounts held in a pledged fund or reserve fund for the Bonds, (c) any other replacement proceeds; (d) investment proceeds; and (e) any transferred proceeds. Specifically, Gross Proceeds include (but are not limited to) amounts held in the following funds and accounts:

(1) Debt Service Fund;
(2) Principal Reserve Fund;
(3) Revenue Fund; [and]
(4) Rebate Fund (to the extent funded with sale or Investment proceeds of the Bonds).[; and
(5) Cash Collateral Account.]

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

"Indenture" means the Original Indenture as amended and restated by the Amended and Restated Trust Indenture, as supplemented, amended and restated from time to time in accordance with its terms.

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

"IRS" means the United States Internal Revenue Service.

"Issue Date" means March 15, 2016.

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

"Minor Portion" means $100,000.

"Net Proceeds" means, when used in reference to the Bonds, the sale proceeds (excluding pre-issuance accrued interest), less an allocable share of any proceeds deposited in a reasonably required reserve or replacement fund, plus an allocable share of all Investment earnings on such sale proceeds.

"Original Financing Agreement" means the Financing Agreement, dated December 1, 1999, between the Issuer, the Borrower, and the Original Trustee.

"Original Indenture" means the Trust Indenture, dated December 1, 1999, between the Issuer and the Original Trustee.

"Original Obligations" means the Issuer's Multifamily Housing Revenue Bonds (Rockview Apartments Project) Series 1990, issued on May 29, 1990 in the original principal amount of $11,100,000.

"Original Trustee" means State Street Bank and Trust Company of Missouri, N.A., predecessor to the Trustee under the Original Indenture.

"Post-Issuance Tax Requirements" means those requirements related to the use of proceeds of the Bonds, the use of the Financed Facility and the investment of Gross Proceeds after the Issue Date of the Bonds.

"Project" means all property acquired, constructed or improved with the net proceeds of the Original Obligations and other money contributed by the Borrower, as described in **Exhibit A**.

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

"Refunded Bonds" means the $8,850,000 outstanding principal amount of the Refunded Obligations.

"Refunded Obligations" means the Series 1999 Bonds, which are treated as redeemed, currently refunded, and reissued as of Issue Date.

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

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

"Series 1999 Bonds" means the Issuer's Multifamily Housing Revenue Refunding Bonds (The Falls Apartments Project) Series 1999, issued on December 8, 1999, in the original principal amount of $9,350,000, the proceeds of which currently refunded the Original Obligations.

"Tax Agreement" means this Tax Compliance Agreement among the Issuer, the Borrower and the Trustee, as originally executed and as it may be amended and supplemented.

"Tax Compliance Procedure" means the Issuer's Tax-Advantaged Financing Compliance Procedure dated May 24, 2012, as amended, supplemented or replaced from time to time.

"Tax-Exempt Bond File" means documents and records for the Bonds, the Refunded Obligations, and the Original Obligations, maintained by the Bond Compliance Agent pursuant to the Tax Compliance Procedure and this Tax Agreement.

"Transcript" means the supplemental transcript of proceedings relating to the delivery of the Indenture and the Financing Agreement and the issuance of the Bonds.

"Trustee" means UMB Bank, N.A., and its successors and assigns and any other corporation or association which may be substituted to serve as trustee under the Indenture.

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

ARTICLE II

GENERAL REPRESENTATIONS AND COVENANTS

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

(a) *Organization and Authority.* The Issuer (1) is a municipal corporation duly organized and validly existing under the laws of the State of Kansas, and (2) has lawful power and authority to issue the Bonds for the purposes set forth in the Indenture, to enter into, execute and deliver the Indenture, the Financing Agreement and this Tax Agreement and to carry out its obligations under such documents, and (3) by all necessary action has been duly authorized to execute and deliver the Indenture, the Bonds, the Financing Agreement and this Tax Agreement, acting by and through its duly authorized officials.

(b) *Tax-Exempt Status of Bonds*. The Issuer, to the extent within its power or direction, (1) will not use any money on deposit in any fund or account maintained in connection with the Bonds, whether or not such money was derived from the sale of the Bonds, in a manner that would cause any Bond to be an "arbitrage bond" within the meaning of Code § 148, and (2) will not otherwise use or permit the use of any Bond proceeds, directly or indirectly, in any manner, and will not take or permit to be taken any other action, that would cause interest on the Bonds to be included in gross income for federal income tax purposes.

(c) *Private Activity Bond Volume Cap*. In connection with the issuance of the Original Obligations, the Issuer received from the State of Kansas an allocation of Private Activity Bond Volume Cap ("Volume Cap") for calendar year 1990 in the aggregate amount of $11,100,000 for the Original Obligations. The principal amount of the Bonds does not exceed the outstanding principal amount of the Refunded Bonds, and the Refunded Bonds are not being advance refunded. Therefore, the Bonds comply

with the Volume Cap requirements of Code § 146. The documentation regarding the Volume Cap allocation is included in the transcript of proceedings for the Original Obligations.

(d) *Public Hearing and Approval*. The Issuer held a public hearing as required under Code § 147(f) regarding the proposed reissuance of the Bonds, at 9:00 a.m. on Monday, March 7, 2016, after published notice of the hearing advised the public that a public hearing would be held on such date to discuss the proposed issuance of the Bonds and that interested parties would have an opportunity to express their views at that hearing. The hearing was open to the public, and those present were invited to express their views relating to the bond issue and the proposed use of proceeds of the Bonds. The Mayor of the Issuer approved the issuance of the Bonds on March __, 2016, after the hearing was held. An affidavit of publication of the notice of the hearing and minutes of the public hearing are included as **Exhibit D**.

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

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

(g) *Hedge Bonds*. At least 85% of the net sale proceeds of the Original Obligations (the sale proceeds of the Original Obligations less any sale proceeds invested in a reserve fund) were used to carry out the governmental purpose of the Original Obligations within 3 years after the issue date of those obligations, and not more than 50% of the proceeds of the Original Obligations were invested in investments having a substantially guaranteed yield for 4 years or more.

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

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

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

(a) *Organization and Authority*. The Borrower (1) is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Kansas, (2) has lawful power and authority to enter into, execute and deliver the Financing Agreement and this Tax Agreement and to carry out its obligations under such documents, and (3) by all necessary company action has been duly authorized to execute and deliver the Financing Agreement and this Tax Agreement, acting by and through its Manager.

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

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

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

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

(c) *Location and Description of Project*. The proceeds of the Original Obligations and money contributed by the Borrower were used to finance the Project that is located wholly within the City of Mission, Kansas. The Project involved the acquisition, rehabilitation, and equipping of a 435-unit qualified residential rental project.

(d) *[Reserved]*.

(e) *Use of Proceeds of Original Obligations; Operation of Project*.

(1) 95% Requirement. At least 95% of the Net Proceeds and imputed proceeds of the Original Obligations were used to finance "eligible costs" of a qualified residential rental project. For this purpose, the "eligible costs" means Project costs which are chargeable to the Project's capital account, or would be so chargeable, either with a proper election by the Borrower (*e.g.*, under Code § 266), or but for a proper election by the Borrower to deduct such amounts. The Borrower has operated the Project as a qualified residential rental project in compliance with Code § 142(d) and the Regulations since the Project was first placed in service. The Borrower will continue to operate the Project as a qualified residential rental project in compliance with Code § 142(d) and the Regulations so long as any Bond remains outstanding.

(2) Restriction on Refinancing; Official Intent. For each person that was a substantial user of the Project at any time during the 5-year period before the Issue Date, or any Related Person to such substantial user, such person either (A) will not receive (directly or indirectly) 5% or more of the Bond proceeds for such person's interest in the Project, or (B) will not be a substantial user of the Project at any time during the 5-year period after the Issue Date.

(f) *Qualified Residential Rental Project.*

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

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

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

(C) are continuously available for rental as described in paragraph (5) below,

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

(E) satisfy the remaining requirements of this subsection.

(2) 20% Set-Aside for Low-to-Moderate Income Tenants. At all times during the qualified project period (defined below), 20% percent or more of the residential units in the Project will be occupied by individuals whose income is 50% or less of area median gross income.

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

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

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

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

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

(5) Continuously Available. Once available for occupancy, each unit in the Project has been and will be rented or available for rental on a continuous basis during the longer of (A) the remaining term of the Bonds, or (B) the qualified project period.

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

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

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

(9) Corporate Leases. The leasing of one or more units in the Project to a person other than a person who will occupy the unit (a "Corporate Tenant"), in connection with an arrangement

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

(g) *Final Written Allocation of Original Obligations and Allocation of Sources and Uses*.

(1) Final Written Allocation of Original Obligations. A summary of the Final Written Allocation of Original Obligation proceeds and other sources of funds is shown on **Exhibit A**.

(2) Allocation of Sources and Uses for the Bonds. The allocation of Bond proceeds to refund the Refunded Bonds is described in **Section 3.5**.

(h) *Land*. Less than 25% of the Net Proceeds of the Original Obligations were used (directly or indirectly) for the acquisition of land (or any interest therein).

(i) *Acquisition of Existing Property/Rehabilitation Requirements*.

(1) Acquisition. Proceeds of the Original Obligations were used to acquire existing facilities as follows:

(A) $_____ of Original Obligation proceeds were used to acquire one or more buildings, including the equipment for such buildings (the "Building"), and

(B) $_____ of the Original Obligation proceeds were used to acquire structures other than buildings (the "Structures").

(2) Rehabilitation. The Borrower made $_____ of "rehabilitation expenditures" (as defined in Code § 147(d)(3)) with respect to the Building, such amount exceeding 15% of the Original Obligation-financed portion of the cost of acquiring the Building, excluding the cost of the land.

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

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

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

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

(n) *Reports to IRS; Form 8038*. The Borrower will assist the Issuer in filing all appropriate returns, reports and attachments to income tax returns required by the Code, including without limitation the Information Return for Private Activity Bond Issues (Form 8038). The Borrower provided to the Issuer the information contained in Parts II, III (other than lines 21(d) and 21(e), which have been provided by Bond Counsel), IV, and VI (other than line 33, which has been provided by Bond Counsel) of IRS Form 8038 attached as **Exhibit E**, and such information is true, complete and correct as of the Issue Date.

Line 46—Primary private user of the Project is the Borrower, employer identification number _____.

(o) *Hedge Bonds*. At least 85% of the net sale proceeds of the Original Obligations (the sale proceeds of the Original Obligations less any sale proceeds invested in a reserve fund) were used to carry out the governmental purpose of the Original Obligations within 3 years after the issue date of those obligations, and not more than 50% of the proceeds of the Original Obligations were invested in investments having a substantially guaranteed yield for 4 years or more.

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

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

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

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

Section 2.3. Limit on Bond Maturity.

(a) *Average Economic Life of Project*. The Borrower understands that under Code § 147(b), the average Bond maturity cannot exceed 120% of the average, reasonably expected economic life of the Project, and that the economic life of the Project is measured from the later of (1) the issue date of the Original Obligations, or (2) the date on which the Project is placed in service. The original average, reasonably expected economic life of the Project was not less than 40.00 years. On **Exhibit A**, the Borrower

has identified the components of the Project, the portion of their costs paid from Original Obligation proceeds and the remaining economic life of the Project.

(b) *Average Bond Maturity*. The average Bond maturity, as computed by Bond Counsel as set forth in **Exhibit B**, is _____ years, which is less than _____ years (120% of the original remaining average, reasonably expected economic life of the Project, less years elapsed from the issue date of the Original Obligations), as further shown in **Exhibit A,** and less than _____ years (the remaining weighted average maturity of the Refunded Bonds), as further shown in **Exhibit B**.

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

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

(b) The Trustee, at the written direction of the Borrower and acting on behalf of the Issuer, may from time to time cause a firm of attorneys, consultants or independent accountants or an investment banking firm to provide the Borrower with such information as the Borrower may request in order for the Borrower to determine all matters relating to (a) the Yield on the Bonds or Investments as it relates to any data or conclusions necessary to verify that the Bonds are not "arbitrage bonds" within the meaning of Code § 148, and (b) compliance with arbitrage rebate requirements of Code § 148(f). The Borrower will pay all costs and expenses incurred in connection with supplying the foregoing information.

(c) The Trustee, acting on behalf of the Borrower and the Issuer, will retain records related to the investment and expenditure of Gross Proceeds held in funds and accounts maintained by the Trustee and any records provided to the Trustee by the Issuer or Borrower related to the Post-Issuance Tax Requirements in accordance with this Tax Agreement. The Trustee will retain these records until three years following the final maturity of (i) the Bonds or (ii) any obligation issued to refund the Bonds; provided, however, if the Trustee is not retained to serve as bond trustee for any obligation issued to refund the Bonds (a "Refunding Obligation"), then the Trustee may satisfy its record retention duties under this **Section 2.4(c)** by providing copies of all records in its possession related to the Bonds to the bond trustee for the Refunding Obligation or other party agreed upon by the Borrower and the Issuer.

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

ARTICLE III

ARBITRAGE CERTIFICATIONS AND COVENANTS

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

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

Section 3.3. Authority and Purpose for Bonds. The Issuer is issuing the Bonds simultaneously with the execution of this Tax Agreement, pursuant to the laws of the State of Kansas, a resolution passed by the governing body of the Issuer, and the Indenture. The Bonds are being issued to refund the Refunded Bonds. The purpose of refunding the Refunded Bonds is to provide an alternate credit facility for the Bonds and restructure the debt service on the Refunded Bonds.

Section 3.4. Funds and Accounts. The following funds and accounts have been established in the custody of the Trustee under the Indenture:

(a) Revenue Fund
(b) Debt Service Fund
(c) Purchase Fund
(d) Rebate Fund
(e) Principal Reserve Fund.[
(f) Cash Collateral Account.]

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

(a) *Amount of Bonds.* There will be no actual sale proceeds of the Bonds; the Bonds will simply be exchanged for the Refunded Bonds on the Issue Date. The principal amount and issue price of the Bonds on the Issue Date is $8,850,000.

(b) *Issuance Costs.* All issuance costs will be paid from sources other than Bond proceeds.

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

Section 3.7. No Advance Refunding. No proceeds of the Bonds will be used to pay principal or interest on any other debt obligation more than 90 days after the Issue Date.

Section 3.8. Current Refunding. The Bonds will be treated as currently refunding the Refunded Bonds on the Issue Date. There are no unspent proceeds (sale proceeds, Investment proceeds or transferred proceeds) of the Refunded Bonds.

Section 3.9. Project Completion. The Project has previously been completed.

Section 3.10. Loan Agreement/Sinking Funds.

(a) The Bond proceeds are deemed to be loaned to the Borrower pursuant to the Financing Agreement. Under the Financing Agreement and the Note, the Borrower is required to make periodic payments to the Trustee in amounts sufficient to pay the principal of and interest on the Bonds. The amounts received by the Trustee under the Credit Facility will be credited against the Borrower's corresponding loan

payment. The Trustee will deposit these loan payments received from the Borrower in the Unavailable Moneys Account of the Revenue Fund.

(b) The Revenue Fund and the Debt Service Fund, in the aggregate, are expected to constitute a fund that is used primarily to achieve a proper matching of revenues with principal and interest payments within each Bond Year. The Revenue Fund and the Debt Service Fund, in the aggregate, are expected to qualify as a Bona Fide Debt Service Fund.

Section 3.11. Reserve, Replacement and Pledged Funds.

(a) *Principal Reserve Fund[and Cash Collateral Account]*. The Indenture establishes the Principal Reserve Fund. The Borrower will begin making periodic deposits to the Principal Reserve Fund in accordance with the Credit Facility Agreement. At the written direction of the Credit Bank, amounts on deposit in the Principal Reserve Fund will be used by the Trustee to pay any amounts required to be paid by the Borrower pursuant to any of the Bond Documents. The Indenture does not establish a maximum balance in the Principal Reserve Fund. Subject to **Article IV**, amounts on deposit in the Principal Reserve Fund shall be invested and reinvested by the Trustee in accordance with the Indenture. [The Credit Bank also required the Borrower to establish and pledge amounts held in the Cash Collateral Account to the Credit Bank.] The Credit Bank has required the establishment and funding of the Principal Reserve Fund [and the Cash Collateral Account]as a condition to the issuance of the Credit Facility.

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

(c) *Other Funds*. The Bonds will initially be in a Weekly Mode until the Borrower elects to change the interest rate mode, and the Purchase Fund will not be used. The Purchase Fund may be used in the future to purchase tendered bonds in the event interest on the Bonds is converted to another interest rate mode. Therefore, amounts held in the Purchase Fund are not pledged or committed in a manner that provides a reasonable assurance that such funds would be available for payment of the principal of or interest on the Bonds if the Issuer or the Borrower encounters financial difficulty.

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

Section 3.13. Yield. Because the Bonds bear interest at variable rates, the Yield on the Bonds cannot be computed at this time. Neither the Issuer nor the Borrower has entered into an interest rate swap agreement with respect to any portion of the proceeds of the Bonds. The initial fee for the Letter of Credit, the fees and expenses of bank counsel, and the periodic Letter of Credit fees expected to be paid over the term of the Letter of Credit (collectively, the "LOC Fees") have been treated as payments for a qualified guarantee under Treas. Reg. § 1.148-4(f). The present value of the LOC Fees is less than the present value of the interest expected to be saved as a result of the Letter of Credit. In the Purchaser's Receipt for Bonds and Closing Certificate, the Purchaser has represented that the LOC Fees do not exceed a reasonable, arm's-length charge for the transfer of credit risk. In the Credit Bank's Closing Certificate, the Credit Bank has represented that

the LOC Fees do not include any payment for any direct or indirect services other than the transfer of credit risk.

Section 3.14. Miscellaneous Tax Matters.

(a) *Expected Use*. The Borrower has used and expects to operate the Project as a qualified residential rental project over the term of the Bonds.

(b) *No Abusive Arbitrage Device*. The Bonds are not and will not be part of a transaction or series of transactions that has the effect of (1) enabling the Issuer or the Borrower to exploit the difference between tax-exempt and taxable interest rates to gain a material financial advantage, or (2) overburdening the tax-exempt bond market.

(c) *Single Issue; No Other Issues*. The Bonds constitute a single "issue" under Regulations § 1.150-1(c). No other obligations of the Issuer (1) are being sold within 15 days of the sale of the Bonds; (2) are being sold pursuant to the same plan of financing as the Bonds; and (3) are expected to be paid from substantially the same source of funds (disregarding guarantees from unrelated parties, such as bond insurance).

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

ARTICLE IV

POST-ISSUANCE TAX REQUIREMENTS, POLICIES AND PROCEDURES

Section 4.1. General.

(a) *Purpose of Article*. The purpose of this **Article IV** is to supplement the Tax Compliance Procedure and to set out specific policies and procedures governing compliance with the federal income tax requirements that apply after the Bonds are issued. The Issuer and the Borrower recognize that interest on the Bonds will remain excludable from gross income only if the Post-Issuance Tax Requirements are followed after the Issue Date. The Issuer and the Borrower further acknowledge that written evidence substantiating compliance with the Post-Issuance Tax Requirements must be retained in order to permit the Bonds to be refinanced with tax-exempt obligations and substantiate the position that interest on the Bonds is exempt from gross income in the event of an audit of the Bonds by the IRS.

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

(c) *Borrower Responsible for Post-Issuance Tax Requirements*. The Bond Compliance Officer has provided a copy of the Tax Compliance Procedure to the Borrower Bond Compliance Officer. The Tax Compliance Procedure contemplates that the Borrower and the Borrower's Bond Compliance Officer will follow the Tax Compliance Procedure. The Issuer and the Borrower acknowledge that the investment and expenditure of proceeds of the Bonds are within the control of the Borrower, and that substantially all of

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

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

(e) *Payment of Costs of Post-Issuance Tax Requirements and Indemnifications.* Neither the Issuer nor the Trustee is required to incur any cost in connection with any action taken related to the Post-Issuance Tax Requirements without reimbursement therefor, it being the intent of the parties that all costs of the Post-Issuance Tax Requirements will be paid by, or immediately reimbursed by, the Borrower. With respect to all actions requested of the Issuer by the Borrower involving Post-Issuance Tax Requirements, the Issuer is entitled to recover from the Borrower all reasonable legal and other fees and expenses incurred and has all rights of indemnification against the Borrower generally contained in the Loan Agreement and the Indenture. The Issuer may, in its discretion, require prepayment of all reasonable legal and other fees and expenses of this type prior to taking any requested action.

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

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

(b) *Accounting and Allocation of Original Obligation Proceeds to Expenditures*. Proceeds of the Original Obligations and other money were used to acquire, construct, and equip the Project. The Borrower has prepared and maintains written substantiation records of the allocation of proceeds of the Original Obligations to the Financed Facility through requisitions from the project fund established under the indenture for the Original Obligations. This allocation is maintained by the Borrower Bond Compliance Officer, a summary of which is set forth on **Exhibit A**.

(c) *Annual Compliance Checklist*. Attached as **Exhibit C** is a form of annual compliance checklist for the Bonds. The Borrower Bond Compliance Officer will prepare and complete an annual compliance checklist for the facilities financed with Bond proceeds annually in accordance with the Tax Compliance Procedure. In the event the annual compliance checklist identifies a deficiency in compliance with the requirements of this Tax Agreement, the Borrower Bond Compliance Officer will consult with the Bond Compliance Officer and in conjunction with the Bond Compliance Officer will take the actions identified in an Opinion of Bond Counsel or the Tax Compliance Procedure to correct any deficiency. The first annual compliance checklist will be completed within one year following the Issue Date. Beginning on March 1, 2017 and each March 1 thereafter until the final maturity of the Bonds (the "Annual Compliance Checklist Report Date"), if the Bond Compliance Agent has not received an annual compliance checklist from the Borrower as of an Annual Compliance Checklist Report Date, the Bond Compliance Agent will send a reminder to the Borrower of its responsibility to complete the annual compliance checklist. If the Bond Compliance Agent still has not received an annual compliance checklist from the Borrower as of 30 days following any Annual Compliance Checklist Report Date, the Bond Compliance Agent will notify the Issuer by letter or email.

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

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

Section 4.3. Rebate Covenants. The Trustee will (a) engage, at the expense of the Borrower, the Rebate Analyst to compute arbitrage rebate on the Bonds in accordance with the Regulations; provided, however, that no arbitrage rebate computations will be required with respect to the Bonds if the Issuer has received an Opinion of Bond Counsel to the effect that arbitrage rebate computations are no longer required with respect to the Bonds; and (b) pay to the United States, but solely from amounts held in the Rebate Fund or money provided by the Borrower, all arbitrage rebate in accordance with this Tax Agreement and the Regulations. The Borrower will make payments to the Trustee as necessary to comply with the rebate requirements of Code § 148(f) and the Regulations.

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

(a) *No Sale Proceeds*. There are no sale proceeds of the Bonds.

(b) *Debt Service Fund and Revenue Fund*. To the extent that the Debt Service Fund and the Revenue Fund, in the aggregate, qualify as a Bona Fide Debt Service Fund, amounts in the those funds may be invested without Yield restriction for 13 months after the date of deposit. Earnings on such amounts may be invested without Yield restriction for one year after the date of receipt of such earnings.

(c) *Principal Reserve Account*.

(1) No Yield Restriction. Amounts held in the Principal Reserve Fund [and the Cash Collateral Account, in the aggregate,]may be invested without Yield restriction up to the least of (1) 10% of the stated principal amount of the Bonds, (2) the maximum annual principal and interest requirements on the Bonds (determined as of the Issue Date), or (3) 125% of the average annual principal and interest requirements on the Bonds (determined as of the Issue Date).

(2) Yield Restriction; Yield-Reduction Payments. Amounts held in the Principal Reserve Fund [and the Cash Collateral Account, in the aggregate,]in excess of the least of the three foregoing measures may be invested without Yield restriction up to 15% of the stated principal amount of the Bonds (approximately $1,327,500), so long as the Borrower pays to the IRS all Yield-reduction payments in accordance with Regulations § 1.148-5(c).

(3) Yield Restriction; No Yield-Reduction Payments. Amounts held in the Principal Reserve Fund [and the Cash Collateral Account, in the aggregate,]in excess of the amount stated in (c)(2) above may not be invested at a Yield greater than the Yield on the Bonds.

(d) *Purchase Fund*. The Purchase Fund is not a sinking fund or a pledged fund and does not contain Gross Proceeds of the Bonds. Therefore, amounts held in the Purchase Fund may be invested without Yield restriction.

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

Section 4.5. Procedures for Establishing Fair Market Value.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(5) Records. The Trustee retains the following records with the Bond documents until 3 years after the last outstanding Bond is redeemed:

(A) A copy of the Guaranteed Investment Contract.

(B) The receipt or other record of the amount actually paid by the Borrower or the Trustee for the Guaranteed Investment Contract, including a record of any administrative costs paid by the Borrower or the Trustee, and the certification as to fees paid, described in paragraph 4(d)(4) above.

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

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

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

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

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

Section 4.6. Spending Exceptions. There are no sale proceeds of the Bonds.

Section 4.7. Computation and Payment of Arbitrage Rebate.

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

(b) *Computation of Rebate Amount*. The Trustee will provide the Rebate Analyst investment reports relating to each fund held by the Trustee that contains Gross Proceeds of the Bonds at the times that reports are provided to the Borrower, and not later than ten days following each Computation Date. The

Borrower will provide the Rebate Analyst with copies of investment reports for any funds containing Gross Proceeds that are held by a party other than the Trustee annually as of the end of each Bond Year and not later than ten days following each Computation Date. Each investment report provided to the Rebate Analyst will contain a record of each investment, including (1) purchase date, (2) purchase price, (3) information establishing the fair market value on the date that investment was allocated to the Bonds, (4) any accrued interest paid, (5) face amount, (6) coupon rate, (7) frequency of interest payments, (8) disposition price, (9) any accrued interest received, and (10) disposition date. These records may be supplied in electronic form. The Rebate Analyst will compute rebate following each Computation Date and deliver a written report to the Trustee, the Borrower and the Issuer together with an opinion or certificate of the Rebate Analyst stating that arbitrage rebate was determined in accordance with the Regulations. Each report and opinion will be provided not later than 45 days following the Computation Date to which it relates. In performing its duties, the Rebate Analyst may rely, in its discretion, on the correctness of financial analysis reports prepared by other professionals. If the sum of the amount on deposit in the Rebate Fund and the value of prior rebate payments is less than the arbitrage rebate due, the Borrower will, within 55 days after that Computation Date, pay to the Trustee the amount of the deficiency for deposit into the Rebate Fund. If the sum of the amount on deposit in the Rebate Fund and the value of prior rebate payments is greater than the Rebate Amount, the Trustee will transfer that surplus from the Rebate Fund to the Borrower (provided no event of default has occurred and is continuing under the Indenture and the Loan Agreement). After the final Computation Date or at any time if the Rebate Analyst has advised the Trustee, any money left in the Rebate Fund will be paid to the Borrower and may be used for any purpose not prohibited by law.

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

Internal Revenue Service
Ogden, Utah 84201

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

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

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

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

ARTICLE V

MISCELLANEOUS PROVISIONS

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

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

Section 5.3. Opinion of Bond Counsel. The Issuer, the Borrower and the Trustee may deviate from the provisions of this Tax Agreement if furnished with an Opinion of Bond Counsel to the effect that the proposed deviation will not adversely affect the exclusion of interest on the Bonds from gross income for federal income tax purposes. The Issuer (to the extent within its power or direction), the Borrower and the Trustee further agree to comply with any further or different instructions provided in an Opinion of Bond Counsel to the effect that the further or different instructions need to be complied with in order to maintain the validity of the Bonds or the exclusion from gross income of interest on the Bonds.

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

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

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

understand that the certifications will be relied upon by the law firm of Gilmore & Bell, P.C., in rendering its opinion as to the validity of the Bonds and the exclusion from federal gross income of the interest on the Bonds.

Section 5.7. Default, Breach and Enforcement. Any material misrepresentation of a party, or any material breach of a covenant or agreement, contained in this Tax Agreement is an event of default under this Tax Agreement. An event of default under this Tax Agreement constitutes an "Event of Default" under the Indenture pursuant to Section 801 of the Indenture, and remedies for an event of default under this Tax Agreement may be pursued pursuant to the terms of the Indenture, the Financing Agreement or any other document which references this Tax Agreement and gives remedies for an event of default thereunder.

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

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

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

Section 5.11. Electronic Transactions. The parties agree that the transaction described in this Tax Agreement may be conducted, and related documents may be stored, by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

[*remainder of this page intentionally left blank*]

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

CITY OF MISSION, KANSAS

By _____
Name: Steve Schowengerdt
Title: Mayor

UMB BANK, N.A., as Trustee

By: _____
Name: _____
Title: _____

WHISPERING FALLS, L.L.C., a Kansas limited liability company

By: OCF ASSOCIATES, L.L.C., a Kansas limited liability company, Manager

By: PFF, Inc., a Kansas corporation, Member

By: _____
Name: Paul Fingersh
Title: President

EXHIBIT A

SUMMARY OF FINAL WRITTEN ALLOCATION; DESCRIPTION OF FINANCED FACILITY; AND CALCULATION OF AVERAGE ECONOMIC LIFE

[ATTACHED]

EXHIBIT B

BOND DEBT SERVICE AND CALCULATION OF WEIGHTED AVERAGE MATURITY OF THE BONDS AND REMAINING WEIGHTED AVERAGE MATURITY OF THE REFUNDED BONDS

[ATTACHED]

EXHIBIT C

ANNUAL COMPLIANCE CHECKLIST

Name of tax-exempt bonds ("Bonds") financing Financed Asset:	Multifamily Housing Refunding Revenue Bonds (The Falls Apartment Project) Series 1999
Issue Date of Bonds:	December 8, 1999
Placed in service date of Project Facility:	
Name of Borrower Bond Compliance Officer:	
Period covered by request ("Annual Period"):	

Item	Question	Response
1 Ownership	Was the entire Project Facility owned by the Borrower during the entire Annual Period?	☐ Yes ☐ No
	If answer above was "No," was an Opinion of Bond Counsel obtained prior to the transfer? If Yes, include a copy of the Opinion in the Tax-Exempt Bond File. If No, contact Bond Counsel and include description of resolution in the Tax-Exempt Bond File.	☐ Yes ☐ No
2 Non-Residential Areas	During the Annual Period, was any part of the Project Facility, not previously designated as such, designated for purposes other than residential?	☐ Yes ☐ No
	If answer above was "Yes," was an Opinion of Bond Counsel obtained prior to designation of such purpose? If Yes, include a copy of the Opinion in the Tax-Exempt Bond File. If No, contact Bond Counsel and include description of resolution in the Tax-Exempt Bond File.	☐ Yes ☐ No
3 Timely Return Filing	During the Annual Period, have all necessary forms been filed with the IRS (i.e. Form 8703, possibly Form 8038-T (concerning arbitrage rebate), etc.)?	☐ Yes ☐ No
	If answer above was "No," contact Bond Counsel and include description of resolution in the Tax-Exempt Bond File.	☐ Yes ☐ No

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

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

Borrower Bond Compliance Officer: _____

Date Completed: _____

EXHIBIT D

EVIDENCE OF PUBLIC APPROVAL OF THE ORIGINAL OBLIGATIONS

[Attached]

EXHIBIT E

IRS FORM 8038

[Attached]

Gilmore & Bell Draft
February [12], 2016
First Amend to Base Lease-2

[SPACE ABOVE THE LINE FOR RECORDING PURPOSES ONLY]

FIRST AMENDMENT TO
BASE LEASE AGREEMENT
DATED AS OF MARCH 1, 2016

Amending the

BASE LEASE AGREEMENT
DATED AS OF DECEMBER 1, 1999
RECORDED AT BOOK 6411, PAGE 157
JOHNSON COUNTY REGISTER OF DEEDS

between

WHISPERING FALLS, L.L.C.,
as Borrower

and

CITY OF MISSION, KANSAS,
as Issuer

Relating to:

City of Mission, Kansas
Multifamily Housing Revenue Refunding Bonds
(The Falls Apartments Project)
Series 1999

RECORDING REQUESTED BY AND
WHEN RECORDED RETURN TO:

Lisa S. Russell
Gilmore & Bell, P.C.
2405 Grand Boulevard, Suite 1100
Kansas City, Missouri 64108

FIRST AMENDMENT TO BASE LEASE AGREEMENT

THIS **FIRST AMENDMENT TO BASE LEASE AGREEMENT** (this "First Amendment") is made and entered into as of March 1, 2016, between **WHISPERING FALLS, L.L.C.**, a Kansas limited liability company, as Lessor (the "Borrower"), and the **CITY OF MISSION, KANSAS,** a municipal corporation of the State of Kansas, as Lessee (the "Issuer").

RECITALS:

1. The Issuer is authorized under the provisions of K.S.A. 12-1740 to 12-1749d, inclusive, and K.S.A. 10-116a, as amended (the "Act"), to purchase, acquire, construct, improve and equip certain facilities within its jurisdiction for industrial purposes, to enter into leases and lease-purchase agreements with any person, firm or corporation for said facilities, to issue revenue bonds for the purpose of paying the cost of any such facilities, to pledge the income and revenues to be derived from the operation of such facilities to secure the payment of the principal of and interest on such bonds and to refund its outstanding bonds by the issuance of its refunding bonds.

2. Pursuant to the Act, the Issuer refinanced a 435-unit multifamily housing facility known as The Falls Apartments located in Mission, Kansas (the "Project") by the issuance of its $9,350,000 Multifamily Housing Revenue Refunding Bonds (The Falls Apartments Project) Series 1999 (the "Bonds").

3. The Bonds were issued pursuant to the Trust Indenture dated as of December 1, 1999 (the "Original Indenture") between the Issuer and State Street Bank and Trust Company of Missouri, N.A., predecessor to the Trustee. The proceeds of the Bonds were loaned to Whispering Falls, L.L.C., a Kansas limited liability company (the "Borrower") pursuant to the terms and provisions of the Financing Agreement dated as of December 1, 1999 (the "Original Financing Agreement") among the Issuer, State Street Bank and Trust Company of Missouri, N.A., predecessor to the Trustee, and the Borrower.

4. In connection with the issuance of the Bonds, Fannie Mae (the "Original Credit Facility Provider") agreed to facilitate the refinancing of the Project by providing credit enhancement and liquidity support for the Bonds pursuant to, and subject to the limitations of, a Collateral Agreement dated December 8, 1999 (the "Collateral Agreement"), between Fannie Mae and the Trustee.

5. The Original Indenture and the Original Financing Agreement provide that the Borrower may cause the delivery of an Alternate Credit Facility.

6. Pursuant to the Original Indenture and the Original Financing Agreement, the Borrower has exercised its right to provide an Alternate Credit Facility to secure the Bonds on March 15, 2016 (the "Substitution Date").

7. To provide for credit enhancement and liquidity for the Bonds, the Borrower is causing U.S. Bank National Association (the "Credit Facility Provider") to deliver an irrevocable direct-pay letter of credit (the "Credit Facility") as an Alternate Credit Facility (within the meaning of the Original Indenture) on the Substitution Date.

8. In connection with the delivery of the Credit Facility the Original Indenture is being amended and restated pursuant to the Amended and Restated Trust Indenture dated as of March 1, 2016 (the "Indenture") between the Issuer and the Trustee, and the Original Financing Agreement is being amended and restated pursuant to the Amended and Restated Financing Agreement dated as of March 1, 2016 (the "Financing Agreement"), among the Issuer, the Borrower and the Trustee.

9. In connection with the issuance of the Bonds and in order to satisfy the requirements of the Act, the Issuer purchased a leasehold interest in the Project from the Borrower pursuant to the Base Lease Agreement dated as of December 1, 1999 (the "Original Lease," as amended by this First Amendment and as further amended, modified or restated from time to time, the "Lease"), recorded in the real estate records of Johnson County, Kansas at Book 6411 and Page 157, and the Issuer subleased the Project to the Borrower pursuant to the Sublease Agreement dated as of December 1, 1999, recorded in the real estate records of Johnson County, Kansas at Book 6411 and Page 174, each relating to the real property described on Exhibit A.

10. The Borrower and the Issuer desire to enter into this First Amendment to the Original Lease in connection with the delivery of the Credit Facility.

AGREEMENT:

The Borrower and the Issuer agree that the Original Lease is amended and supplemented as provided in this First Amendment.

SECTION 1. Amendments to Original Lease.

(a) References to the Indenture and the Financing Agreement. All references to the term "Indenture" in the Original Lease shall mean the Amended and Restated Trust Indenture dated as of March 1, 2016, between the Issuer and the Trustee, as supplemented and amended from time to time, and all references to the term "Financing Agreement" in the Original Lease shall mean the Amended and Restated Financing Agreement dated as of March 1, 2016, among the Issuer, the Trustee and the Borrower, as supplemented and amended from time to time.

(b) References to Mortgage Loan Documents. All references to the term "Mortgage Loan Documents" in the Original Lease are hereby deleted and are of no further force and effect.

(c) References to Permitted Liens. All references to the term "Permitted Liens" in the Original Lease shall be replaced with the clause "Permitted Encumbrances" (as defined in the Credit Facility Agreement).

(d) Amendment to Section 4.4. The clause "which shall be secured by the Mortgage" contained in the first sentence of **Section 4.4** of the Original Lease is hereby deleted in its entirety.

(e) Reference to the Servicer. The reference to the "Servicer" in **Section 9.1** of the Original Lease is hereby deleted.

(f) Provision Relating to Fannie Mae and the Collateral Agreement. **Section 9.5(b)** of the Original Lease is hereby deleted in its entirety.

SECTION 2. Severability. If any provision of this First Amendment shall be held or deemed to be or shall, in fact, be illegal, inoperative or unenforceable, the same shall not affect any other provisions hereof or render the same invalid, inoperative or unenforceable to any extent whatsoever.

SECTION 3. Counterparts. This First Amendment may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 4. Governing Law. This First Amendment shall be governed by and construed in accordance with the laws of the State of Kansas.

SECTION 5. Effective Date; Original Lease Remains in Effect. This First Amendment is effective from and after the Substitution Date. The Borrower and the Issuer acknowledge and agree that, except as expressly amended by this First Amendment, the provisions of the Original Lease remain in full force and effect.

SECTION 6. Electronic Transactions. The transactions described herein may be conducted and related documents may be sent, received or stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

[*remainder of this page intentionally left blank*]

IN WITNESS WHEREOF, the Issuer and the Borrower have executed this First Amendment by their duly authorized signatories, all as of the date first written above.

CITY OF MISSION, KANSAS

By: _____
Name: Steve Schowengerdt
Title: Mayor

ACKNOWLEDGMENT

STATE OF KANSAS)
) SS.
COUNTY OF JOHNSON)

This instrument was acknowledged before me on this ____ day of March, 2016, by Steve Schowengerdt, as Mayor of the City of Mission, Kansas, a municipal corporation and political subdivision organized and existing under the laws of the State of Kansas.

_____
Notary Public

[SEAL]

My commission expires: _____

WHISPERING FALLS, L.L.C., a Kansas limited liability company

By: OCF ASSOCIATES, L.L.C., a Kansas limited liability company, Manager

By: PFF, Inc., a Kansas corporation, Member

By: _____
Name: Paul Fingersh
Title: President

ACKNOWLEDGMENT

STATE OF MISSOURI)
) SS
COUNTY OF JACKSON)

This instrument was acknowledged before me on this ____ day of March, 2016, by Paul S. Fingersh, as President of PFF, Inc., a Kansas corporation, member of OCF Associates, L.L.C., a Kansas limited liability company, manager of Whispering Falls, L.L.C., a Kansas limited liability company.

_____
Notary Public

[SEAL]

My commission expires: _____

EXHIBIT A

LEGAL DESCRIPTION

[To be inserted.]

Gilmore & Bell Draft
February [12], 2016
First Amend to Sublease-2

[SPACE ABOVE THE LINE FOR RECORDING PURPOSES ONLY]

FIRST AMENDMENT TO
SUBLEASE AGREEMENT
DATED AS OF MARCH 1, 2016

Amending the

SUBLEASE AGREEMENT
DATED AS OF DECEMBER 1, 1999
RECORDED AT BOOK 6411, PAGE 174
JOHNSON COUNTY REGISTER OF DEEDS

among

CITY OF MISSION, KANSAS,
as Issuer

and

WHISPERING FALLS, L.L.C.,
as Borrower

Relating to:

City of Mission, Kansas
Multifamily Housing Revenue Refunding Bonds
(The Falls Apartments Project)
Series 1999

RECORDING REQUESTED BY AND
WHEN RECORDED RETURN TO:

Lisa S. Russell
Gilmore & Bell, P.C.
2405 Grand Boulevard, Suite 1100
Kansas City, Missouri 64108

FIRST AMENDMENT TO SUBLEASE AGREEMENT

THIS **FIRST AMENDMENT TO SUBLEASE AGREEMENT** (this "First Amendment") is made and entered into as of March 1, 2016, between the **CITY OF MISSION, KANSAS,** a municipal corporation of the State of Kansas, as Sublessor (the "Issuer") and **WHISPERING FALLS, L.L.C.**, a Kansas limited liability company, as Sublessee (the "Borrower").

RECITALS:

1. The Issuer is authorized under the provisions of K.S.A. 12-1740 to 12-1749d, inclusive, and K.S.A. 10-116a, as amended (the "Act"), to purchase, acquire, construct, improve and equip certain facilities within its jurisdiction for industrial purposes, to enter into leases and lease-purchase agreements with any person, firm or corporation for said facilities, to issue revenue bonds for the purpose of paying the cost of any such facilities, to pledge the income and revenues to be derived from the operation of such facilities to secure the payment of the principal of and interest on such bonds and to refund its outstanding bonds by the issuance of its refunding bonds.

2. Pursuant to the Act, the Issuer refinanced a 435-unit multifamily housing facility known as The Falls Apartments located in Mission, Kansas (the "Project") by the issuance of its $9,350,000 Multifamily Housing Revenue Refunding Bonds (The Falls Apartments Project) Series 1999 (the "Bonds").

3. The Bonds were issued pursuant to the Trust Indenture dated as of December 1, 1999 (the "Original Indenture") between the Issuer and State Street Bank and Trust Company of Missouri, N.A., predecessor to the Trustee. The proceeds of the Bonds were loaned to Whispering Falls, L.L.C., a Kansas limited liability company (the "Borrower") pursuant to the terms and provisions of the Financing Agreement dated as of December 1, 1999 (the "Original Financing Agreement") among the Issuer, State Street Bank and Trust Company of Missouri, N.A., predecessor to the Trustee, and the Borrower.

4. In connection with the issuance of the Bonds, Fannie Mae (the "Original Credit Facility Provider") agreed to facilitate the refinancing of the Project by providing credit enhancement and liquidity support for the Bonds pursuant to, and subject to the limitations of, a Collateral Agreement dated December 8, 1999 (the "Collateral Agreement"), between Fannie Mae and the Trustee.

5. The Original Indenture and the Original Financing Agreement provide that the Borrower may cause the delivery of an Alternate Credit Facility.

6. Pursuant to the Original Indenture and the Original Financing Agreement, the Borrower has exercised its right to provide an Alternate Credit Facility to secure the Bonds on March 15, 2016 (the "Substitution Date").

7. To provide for credit enhancement and liquidity for the Bonds, the Borrower is causing U.S. Bank National Association (the "Credit Facility Provider") to deliver an irrevocable direct-pay letter of credit (the "Credit Facility") as an Alternate Credit Facility (within the meaning of the Original Indenture) on the Substitution Date.

8. In connection with the delivery of the Credit Facility the Original Indenture is being amended and restated pursuant to the Amended and Restated Trust Indenture dated as of March 1, 2016 (the "Indenture") between the Issuer and the Trustee, and the Original Financing Agreement is being amended and restated pursuant to the Amended and Restated Financing Agreement dated as of March 1, 2016 (the "Financing Agreement"), among the Issuer, the Borrower and the Trustee.

9. In connection with the issuance of the Bonds and in order to satisfy the requirements of the Act, the Issuer purchased a leasehold interest in the Project from the Borrower pursuant to the Base Lease Agreement dated as of December 1, 1999, recorded in the real estate records of Johnson County, Kansas at Book 6411 and Page 157, and the Issuer subleased the Project to the Borrower pursuant to the Sublease Agreement dated as of December 1, 1999 (the "Original Sublease," as amended by this First Amendment and as further amended, modified or restated from time to time, the "Sublease"), recorded in the real estate records of Johnson County, Kansas at Book 6411 and Page 174, each relating to the real property described on Exhibit A.

10. The Issuer and the Borrower desire to enter into this First Amendment to the Original Sublease in connection with the delivery of the Credit Facility.

AGREEMENT:

The Issuer and the Borrower agree that the Original Sublease is amended and supplemented as provided in this First Amendment.

SECTION 1. Amendments to Original Sublease.

(a) References to the Indenture and the Financing Agreement. All references to the term "Indenture" in the Original Sublease shall mean the Amended and Restated Trust Indenture dated as of March 1, 2016, between the Issuer and the Trustee, as supplemented and amended from time to time, and all references to the term "Financing Agreement" in the Original Sublease shall mean the Amended and Restated Financing Agreement dated as of March 1, 2016, among the Issuer, the Trustee and the Borrower, as supplemented and amended from time to time.

(b) References to Mortgage Loan Documents, Pledged Collateral and the Servicer. All references to the terms "Mortgage Loan Documents," "Pledged Collateral," and "the Servicer" in the Original Sublease are hereby deleted and are of no further force and effect.

(c) References to Permitted Liens. All references to the term "Permitted Liens" in the Original Lease are hereby replaced with the clause "Permitted Encumbrances" (as defined in the Credit Facility Agreement).

(d) Amendments to Section 4.3. **Section 4.3(f)** of the Original Sublease is hereby amended and restated as follows:

> (f) all costs and expenses of issuing the Bonds, including, but not limited to, Rating Agency fees, printing expenses, attorneys' fees and underwriters' fees, and all expenses of originating the Mortgage Loan, the Borrower acknowledging that all such fees costs and expenses (excluding the Facility Fee, and the Issuer's fee) must be paid by the Borrower separate and apart from payments due under the Mortgage Loan and will not be included in the Mortgage Note;

In addition, the last three paragraphs of **Section 4.3** of the Original Sublease are hereby amended and restated as follows:

> The Borrower hereby acknowledges that the foregoing fees, costs and expenses (excluding the Facility Fee and the Issuer's Fee) must be paid by the Borrower separate and apart from payments due under the Mortgage Loan and will not be included in the Mortgage

Note. Neither the Trustee, the Issuer nor the Credit Facility Provider shall have (1) any liability, responsibility or accountability for the payment, remittance or handling of any such fees, costs or expenses or (2) any obligation to pay any such fees, costs or expenses.

In addition to the above, the Borrower shall pay, at the times and in the amounts required in the Indenture, all amounts necessary to pay any premium and any costs due in connection with an optional redemption of the Bonds pursuant to the Indenture.

All fees and expenses included herein but not included in the Mortgage Note or the Reimbursement Agreement shall not be secured by the Mortgage or constitute a lien on the Project in any manner, shall be unsecured personal obligations of the Borrower, subject to Section 4.4 hereof, and shall be subordinate to the Borrower's obligations under the Mortgage Loan and the Reimbursement Agreement in all respects.

(e) References to General Receipts Fund. All references to the term "General Receipts Fund" in **Section 7.2**(c) of the Original Sublease are hereby replaced with the term "Revenue Fund."

(f) References to Fannie Mae; Provision Relating to Fannie Mae and the Collateral Agreement. The references to "Fannie Mae" in **Sections 7.2** and **9.6 of** the Original Sublease are hereby replaced with the term "Credit Facility Provider." **Section 9.5(b)** of the Original Sublease is hereby deleted in its entirety.

(g) Reference to Purchased Bonds. The reference to "Purchased Bonds" in **Section 9.11** of the Original Sublease are hereby replaced with the term "Pledged Bonds."

SECTION 2. Severability. If any provision of this First Amendment shall be held or deemed to be or shall, in fact, be illegal, inoperative or unenforceable, the same shall not affect any other provisions hereof or render the same invalid, inoperative or unenforceable to any extent whatsoever.

SECTION 3. Counterparts. This First Amendment may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 4. Governing Law. This First Amendment shall be governed by and construed in accordance with the laws of the State of Kansas.

SECTION 5. Effective Date; Original Sublease Remains in Effect. This First Amendment is effective from and after the Substitution Date. The Issuer and the Borrower acknowledge and agree that, except as expressly amended by this First Amendment, the provisions of the Original Sublease remain in full force and effect.

SECTION 6. Electronic Transactions. The transactions described herein may be conducted and related documents may be sent, received or stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

[*remainder of this page intentionally left blank*]

IN WITNESS WHEREOF, the Issuer and the Borrower have executed this First Amendment by their duly authorized signatories, all as of the date first written above.

CITY OF MISSION, KANSAS

By: _____
Name: Steve Schowengerdt
Title: Mayor

ACKNOWLEDGMENT

STATE OF KANSAS)
) SS.
COUNTY OF JOHNSON)

This instrument was acknowledged before me on this ____ day of March, 2016, by Steve Schowengerdt, as Mayor of the City of Mission, Kansas, a municipal corporation and political subdivision organized and existing under the laws of the State of Kansas.

_____
Notary Public

[SEAL]

My commission expires: _____

WHISPERING FALLS, L.L.C., a Kansas limited liability company

By: OCF ASSOCIATES, L.L.C., a Kansas limited liability company, Manager

By: PFF, Inc., a Kansas corporation, Member

By: _____
Name: Paul Fingersh
Title: President

ACKNOWLEDGMENT

STATE OF MISSOURI)
) SS
COUNTY OF JACKSON)

This instrument was acknowledged before me on this ____ day of March, 2016, by Paul S. Fingersh, as President of PFF, Inc., a Kansas corporation, member of OCF Associates, L.L.C., a Kansas limited liability company, manager of Whispering Falls, L.L.C., a Kansas limited liability company.

_____
Notary Public

[SEAL]

My commission expires: _____

EXHIBIT A

LEGAL DESCRIPTION

[To be inserted.]

REMARKETING STATEMENT

REMARKETING – NOT A NEW ISSUE
BOOK-ENTRY ONLY

RATINGS: S&P "[__AA-/A-1+__]"
See "RATINGS"

On the date of issuance of the Bonds, Gilmore & Bell, P.C., Bond Counsel to the Issuer, delivered its opinion that, under existing law, and assuming continued compliance with certain requirements of the Internal Revenue Code of 1986, as amended, the interest on the Bonds is excluded from gross income for federal income tax purposes, except as described herein, and is also an item of tax preference for the purposes of the federal alternative minimum tax imposed on individuals and corporations. Bond Counsel was further of the opinion that the interest on the Bonds is exempt from Kansas income taxation. In the opinion of Bond Counsel, the delivery of the Credit Facility will not, in and of itself, adversely affect the exclusion from gross income for federal income tax purpose, of the interest payable on the Bonds. This supplemental opinion is not to be interpreted as a reissuance of the original approving opinion of Bond Counsel as of the Substitution Date. See "TAX MATTERS."

CITY OF MISSION, KANSAS
Multifamily Housing Revenue Refunding Bonds
(The Falls Apartments Project)
Series 1999

Original Issuance Date: December 8, 1999
Substitution Date: March 15, 2016

Due: December 15, 2034

The City of Mission, Kansas (the "Issuer") has issued its Multifamily Housing Revenue Refunding Bonds (The Falls Apartments Project) Series 1999 (the "Bonds"), in the original principal amount of $9,350,000 pursuant to the Trust Indenture dated as of December 1, 1999 (the "Original Indenture"), between the Issuer and State Street Bank & Trust Company of Missouri, N.A., predecessor to UMB Bank, N.A., Kansas City, Missouri, as trustee (the "Trustee"). The proceeds of the Bonds were loaned to Whispering Falls, L.L.C., a Kansas limited liability company (the "Borrower") pursuant to a Financing Agreement dated as of December 1, 1999 (the "Original Financing Agreement") to refinance a 435-unit multifamily rental housing facility known as The Falls Apartments (the "Project") in the City of Mission, Kansas. From the date of issuance of the Bonds, Fannie Mae provided credit enhancement with respect to the loan to the Borrower and liquidity support for the Bonds pursuant to a Collateral Agreement dated December 8, 1999 between Fannie Mae and the Trustee. The Borrower has elected to provide an Alternate Credit Facility as of the Substitution Date. Effective with the delivery of the new Credit Facility, the Original Indenture and the Original Financing Agreement are being amended and restated pursuant to the Amended and Restated Trust Indenture dated as of March 1, 2016 (the "Indenture") between the Issuer and the Trustee and the Amended and Restated Financing Agreement dated as of March 1, 2016 (the "Financing Agreement") among the Issuer, the Trustee and the Borrower. The Bonds are secured by the pledge of the Trust Estate under the Indenture, including the Credit Facility and moneys held by the Trustee under the Indenture. The Borrower's obligations under the Financing Agreement are not secured by the Project. The outstanding principal amount of the Bonds as of the Substitution Date is $8,850,000. **THIS REMARKETING STATEMENT DESCRIBES THE BONDS, SECURITY FOR THE BONDS AND VARIOUS DOCUMENTS AS OF THE SUBSTITUTION DATE**.

The Bonds have been issued as fully registered Bonds without coupons and are registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for the Bonds. See "BOOK-ENTRY ONLY SYSTEM" herein. Individual purchases of Bonds will be made in book-entry form only and in minimum the denominations of $100,000 or any integral multiple of $5,000 in excess thereof while the Bonds are in the Weekly Mode. Principal of the Bonds is payable at the Payment Office of the Trustee, as Paying Agent, in Kansas City, Missouri, or at the designated office of any alternate Paying Agent.

The Bonds are in the Weekly Mode, determined as described in this Remarketing Statement. While the Bonds are in the Weekly Mode interest is payable on the first Business Day of each month, commencing April 1, 2016, to the persons in whose names such Bonds are registered at the close of business on the fifth calendar day (whether or not a Business Day) preceding the Interest Payment Date, by check or draft mailed by the Trustee (or, under certain circumstances described herein, by electronic transfer in immediately available funds). See "THE BONDS–Interest Rates and Interest Payment Provisions."

Commencing on the Substitution Date, pursuant to and subject to the terms and conditions of an irrevocable direct pay letter of credit (the "Credit Facility") issued by U.S. Bank National Association

(the "Credit Facility Provider"), the Trustee shall be authorized to draw amounts required to pay the principal of the Bonds when due at maturity or upon redemption or acceleration and to pay up to 43 days' interest on the Bonds when due, and to pay the purchase price of Bonds tendered for purchase pursuant to the Indenture to the extent remarketing proceeds are not available for such purpose. The Credit Facility is initially scheduled to expire on March 15, 2019, unless extended or terminated earlier pursuant to its terms. **The Bonds are required to be tendered to the Tender Agent for purchase on the Interest Payment Date that is at least 5 days immediately preceding the termination of the Credit Facility (initially, this Interest Payment Date is March 1, 2019) unless the Credit Facility is extended in accordance with its terms.** See "TENDER AND PURCHASE OF BONDS-Mandatory Tender of Bonds--On Termination Date or Interest Mode Adjustment Date."

The delivery of the Credit Facility as described in this Remarketing Supplement is conditioned upon the occurrence of certain conditions.

The Bonds are subject to optional, mandatory and extraordinary redemption as described herein under the caption "THE BONDS." The Bonds are subject to optional and mandatory tender for purchase as described herein under the caption "TENDER AND PURCHASE OF BONDS."

THE BONDS AND THE PREMIUM (IF ANY) AND THE INTEREST ON THE BONDS ARE SPECIAL, LIMITED OBLIGATIONS OF THE ISSUER, ISSUED UNDER THE ACT. THE PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST ON THE BONDS ARE PAYABLE SOLELY FROM THE TRUST ESTATE UNDER THE INDENTURE. THE BONDS AND THE INTEREST THEREON SHALL NOT CONSTITUTE A DEBT OF THE ISSUER, THE STATE OR ANY MUNICIPAL CORPORATION THEREOF AND ARE NOT PAYABLE IN ANY MANNER BY TAXATION. THE BONDS DO NOT CONSTITUTE AN INDEBTEDNESS WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY DEBT LIMITATION OR RESTRICTION.

Certain legal matters related to the delivery of the Credit Facility on the Substitution Date will be subject to the opinion of Gilmore & Bell, P.C., Kansas City, Missouri, Bond Counsel to the Issuer. Certain legal matters will be passed upon for the Borrower by its counsel, Lewis, Rice & Fingersh, L.C., Kansas City, Missouri; and for the Credit Facility Provider by Stinson Leonard Street LLP, Kansas City, Missouri.

SternBrothers&Co.

Investment Banking Since 1917

Remarketing Agent

Dated March [___], 2016

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REGARDING USE OF THIS REMARKETING STATEMENT

THE BONDS HAVE NOT BEEN REGISTERED WITH THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION UNDER THE SECURITIES ACT OF 1933, AS AMENDED, NOR HAS THE INDENTURE BEEN QUALIFIED UNDER THE TRUST INDENTURE ACT OF 1939, AS AMENDED, IN RELIANCE UPON EXEMPTIONS CONTAINED IN SUCH ACTS. IN MAKING AN INVESTMENT DECISION INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE BORROWER AND THE CREDIT FACILITY PROVIDER AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THE BONDS HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

No dealer, broker, salesman or other person has been authorized by the Issuer, the Borrower or the Credit Facility Provider to give any information or to make any representations other than those contained in this Remarketing Statement, and, if given or made, such other information or representations should not be relied upon as having been authorized by any of the foregoing. This Remarketing Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Bonds by any person in any state in which it is unlawful for such person to make such offer, solicitation or sale. The information set forth herein has been obtained from the Issuer, the Borrower, the Credit Facility Provider or the Remarketing Agent and other sources which are deemed to be reliable, but is not guaranteed as to accuracy or completeness by, and is not to be construed as a representation by the Issuer, the Borrower or the Credit Facility Provider. The information herein is subject to change without notice, and neither the delivery of this Remarketing Statement nor any sale made hereunder shall under any circumstances create any implication that there has been no change in the affairs of the Issuer, the Borrower or Credit Facility Provider since the date hereof.

The Remarketing Agent has provided the following sentence for inclusion in this Remarketing Statement. The Remarketing Agent has reviewed the information in this Remarketing Statement in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Remarketing Agent does not guarantee the accuracy or completeness of that information.

THE BONDS AND THE PREMIUM (IF ANY) AND INTEREST ON THE BONDS ARE SPECIAL, LIMITED OBLIGATIONS OF THE ISSUER, ISSUED UNDER THE ACT. THE PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST ON THE BONDS ARE PAYABLE SOLELY FROM THE TRUST ESTATE UNDER THIS INDENTURE. THE BONDS AND THE INTEREST THEREON SHALL NOT CONSTITUTE A DEBT OF THE ISSUER, THE STATE OR ANY MUNICIPAL CORPORATION THEREOF AND ARE NOT PAYABLE IN ANY MANNER BY TAXATION. THE BONDS DO NOT CONSTITUTE AN INDEBTEDNESS WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY DEBT LIMITATION OR RESTRICTION.

No recourse shall be had for the payment of the principal of, or premium, if any, or interest on, any of the Bonds or for any claim based thereon or upon any obligation, provision, covenant or agreement contained in the Indenture or any other document to which the Issuer is a party, against any past, present or future member, director, trustee, officer, official, employee or agent of the Issuer, or any member, director, trustee, officer, official, employee or agent of any successor to the Issuer, as such, either directly or through the Issuer or any successor to the Issuer, under any rule of law or equity, statute or constitution or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such member, director, trustee, officer, official, employee or agent as such is hereby expressly waived and released as a condition of and in consideration for the execution of the Indenture and the issuance of any of the Bonds. Neither the officers of the Issuer nor any person executing the Bonds shall be personally liable on the Bonds by reason of the issuance thereof.

NO PROVISION, COVENANT OR AGREEMENT CONTAINED IN THE INDENTURE, FINANCING AGREEMENT, THE BONDS, THE TAX AGREEMENT, THE PURCHASE AGREEMENT, OR ANY OBLIGATION THEREIN IMPOSED UPON THE ISSUER, OR ANY BREACH THEREOF, SHALL BE CONSTRUED TO IMPOSE UPON THE ISSUER, OR ANY PAST, PRESENT OR FUTURE DIRECTOR, TRUSTEE, OFFICER, OFFICIAL, EMPLOYEE OR AGENT OF THE ISSUER, A PECUNIARY LIABILITY OR A CHARGE AGAINST THE GENERAL CREDIT OF THE ISSUER. WITH RESPECT TO ANY ACTION FOR SPECIFIC PERFORMANCE OR ANY ACTION IN THE NATURE OF A PROHIBITORY OR MANDATORY INJUNCTION, NEITHER THE ISSUER NOR ANY OF ITS DIRECTORS, TRUSTEES, OFFICERS, OFFICIALS, EMPLOYEES OR AGENTS SHALL BE LIABLE FOR ANY ACTION TAKEN BY THE ISSUER, OR FOR ANY FAILURE TO TAKE ACTION UNDER THE INDENTURE, THE FINANCING AGREEMENT, THE BONDS, THE TAX AGREEMENT, OR THE BOND PURCHASE AGREEMENT.

NONE OF THE INFORMATION IN THIS REMARKETING STATEMENT, OTHER THAN WITH RESPECT TO THE INFORMATION CONCERNING THE ISSUER CONTAINED UNDER THE CAPTIONS "THE ISSUER" AND "NO LITIGATION – THE ISSUER" HAS BEEN SUPPLIED OR VERIFIED BY THE ISSUER, AND THE ISSUER MAKES NO REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AS TO THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION.

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REMARKETING STATEMENT

CITY OF MISSION, KANSAS

Multifamily Housing Revenue Refunding Bonds
(The Falls Apartments Project)
Series 1999

INTRODUCTORY STATEMENT

This Remarketing Statement, including the cover page and the Appendices hereto, sets forth certain information in connection with the substitution of a new Credit Facility (defined below) provided by U.S. Bank National Association (the "Credit Facility Provider") for the existing credit enhancement provided by Fannie Mae with respect to the above-described Bonds and the execution and delivery of an Amended and Restated Trust Indenture, an Amended and Restated Financing Agreement and certain other documents in connection therewith.

On December 8, 1999, the City of Mission, Kansas, a municipal corporation and political subdivision organized and existing under the laws of the State of Kansas (the "Issuer"), issued its Multifamily Housing Revenue Refunding Bonds (The Falls Apartments Project) Series 1999 (the "Bonds"), in the original principal amount of $9,350,000, pursuant to the laws of the State of Kansas (the "State"), particularly K.S.A. 12-1740 to 12-1749d, inclusive, and K.S.A. 10-116a, as amended (the "Act") and a Trust Indenture dated as of December 1, 1999 (the "Original Indenture"), between the Issuer and State Street Bank and Trust Company of Missouri, N.A., predecessor to UMB Bank, N.A., as trustee (the "Trustee"). The proceeds of the Bonds were loaned (the "Loan") to Whispering Falls, L.L.C., a Kansas limited liability company (the "Borrower"), pursuant to a Financing Agreement dated as of December 1, 1999 (the "Original Financing Agreement"), among the Issuer, the Trustee and the Borrower, to refinance a 435-unit multifamily housing facility located at 6565 West Foxridge Drive in the City of Mission, Johnson County, Kansas, known as The Falls Apartments (the "Project"). See "THE BORROWER AND THE PROJECT." The Borrower leased the Project to the Issuer pursuant to the Base Lease Agreement dated as of December 1, 1999, (the "Original Lease"), and the Issuer subleased the Project to the Borrower pursuant to the Sublease Agreement dated as of December 1, 1999 (the "Original Sublease").

From the date of issuance of the Bonds, Fannie Mae has provided credit enhancement with respect to the Loan and liquidity support for the Bonds pursuant to a Collateral Agreement dated December 8, 1999 between Fannie Mae and the Trustee. The Original Indenture and the Original Financing Agreement provide that the Borrower may cause the delivery of any Alternate Credit Facility. The Bonds are subject to mandatory tender in whole on the date of delivery of the Alternate Credit Facility. Pursuant to the Original Indenture and the Original Financing Agreement, the Borrower has exercised its right to provide an Alternate Credit Facility to secure the Bonds on March 15, 2016 (the "Substitution Date").

To provide for the credit enhancement and liquidity for the Bonds from and after the Substitution Date, the Borrower is causing U.S. Bank National Association (the "Credit Facility Provider") to deliver an irrevocable direct pay letter of credit ("Credit Facility") on the Substitution Date. The Credit Facility will authorize the Trustee to draw on the Credit Facility Provider, in accordance with the terms and conditions set forth in the Credit Facility, by drafts, periodically in an amount equal to the regular interest due on such Bonds and, in the event of the mandatory redemption, tender for purchase by a Bondowner, mandatory tender for purchase or acceleration of the maturity of the Bonds, an amount not to exceed the principal amount or purchase price of such Bonds then outstanding plus interest thereon. The Credit Facility will be in an amount equal to the aggregate principal amount of the Bonds plus not less than 35 days'

interest thereon, calculated initially at 10% per annum for interest allocable to the Bonds, based on a year of 365 days. The Credit Facility will be reduced periodically in accordance with its terms and will have a stated expiration date of March 15, 2019, unless extended pursuant to its terms. The form of the Credit Facility is set forth in Appendix B. See "THE CREDIT FACILITY" and "SECURITY FOR THE BONDS–Alternate Credit Facility."

Effective with the delivery of the Credit Facility on the Substitution Date, the Original Indenture and the Original Financing Agreement are being amended and restated by the Amended and Restated Trust Indenture dated as of March 1, 2016 (the "Indenture") between the Issuer and the Trustee and the Amended and Restated Financing Agreement dated as of March 1, 2016 (the "Financing Agreement") among the Issuer, the Trustee and the Borrower. In addition, the Original Lease and Original Sublease are being amended by the First Amendment to Base Lease Agreement dated as of March 1, 2016 (the "First Amendment to Base Lease," together with the Original Lease, the "Lease") and the First Amendment to Sublease Agreement dated as of March 1, 2016 (the "First Amendment to Sublease," together with the Original Sublease, the "Sublease"). See "THE INDENTURE," "THE FINANCING AGREEMENT" and "THE LEASE AND SUBLEASE."

The Borrower has the right, under certain conditions described herein, to arrange for an alternate credit facility in substitution for the Credit Facility. See "SECURITY FOR THE BONDS−Alternate Credit Facility."

The Bonds are secured by the pledge of the Trust Estate under the Indenture, including the Credit Facility and moneys held by the Trustee under the Indenture. The Borrower's obligations under the Financing Agreement are not secured by the Project.

The Bonds are in the Weekly Mode and will bear interest calculated as described herein under the caption "THE BONDS−Interest Rates and Interest Payment Provisions." The interest rate mode for the Bonds is subject to conversion as herein described to a Monthly Mode, Semiannual Mode, Annual Mode or a Multiyear Mode (any mode being herein described as an "Interest Mode"). While the Bonds are in a Weekly Mode or Monthly Mode, Owners will have the option to demand their purchase at a price equal to the principal amount thereof plus accrued interest to the date of purchase as described herein upon notice received by the Trustee acting as Tender Agent not less than seven calendar days prior to the date established for purchase. In the event of the change in the Interest Mode or the proposed delivery of an Alternate Credit Facility with respect to the Bonds (as herein described), the Bonds shall be subject to mandatory purchase except as described herein. See "TENDER AND PURCHASE OF BONDS–Mandatory Tender of Bonds."

The Bonds are subject to optional and mandatory redemption prior to maturity at the times and in the amounts described herein under the caption "THE BONDS−Optional Redemption" and "THE BONDS−Mandatory and Extraordinary Redemption."

The Bonds, while in the Weekly Mode or Monthly Mode, are subject to tender for purchase at the option of the Bondowner. See "TENDER AND PURCHASE OF BONDS−Optional Tender of Bonds."

The Bonds are subject to mandatory tender for purchase on the Termination Date, the Interest Mode Adjustment Date and the Alternate Credit Facility Date. See "TENDER AND PURCHASE OF BONDS−Mandatory Tender of Bonds."

THE BONDS ARE BEING OFFERED ON THE BASIS OF THE FINANCIAL STRENGTH OF THE CREDIT FACILITY PROVIDER, AS ISSUER OF THE CREDIT FACILITY, AND NOT ON THE FINANCIAL STRENGTH OF THE BORROWER.

Brief descriptions of the Issuer and the Bonds and brief summaries of the Credit Facility, the Credit Facility Agreement, the Indenture, the Financing Agreement, the Regulatory Agreement, the Lease and the Sublease are set forth below. These descriptions and summaries do not purport to be complete or definitive, and the summaries of the terms of the agreements are qualified by reference to such documents, copies of which may be obtained from the Trustee. Brief descriptions of the Borrower and the Project are set forth below under "THE BORROWER AND THE PROJECT."

Certain information with respect to the Credit Facility Provider and the form of the Credit Facility is set forth in Appendix A and Appendix B. The information in Appendix A relating to the Credit Facility Provider has been furnished by the Credit Facility Provider and none of the Issuer, the Borrower or the Remarketing Agent assumes any responsibility for the accuracy or completeness thereof.

See Appendix C for the definitions of certain capitalized terms used throughout this Remarketing Statement.

See Appendix D for a copy of the original opinion of Bond Counsel delivered on December 1, 1999. See "TAX MATTERS."

CITY OF MISSION, KANSAS

The City of Mission, Kansas (the "Issuer") is a municipal corporation and city of the second class located in Johnson County, Kansas. The Issuer is authorized by the Act to issue the Bonds and to use the proceeds thereof to refinance the Project.

THE BONDS AND THE PREMIUM (IF ANY) AND THE INTEREST ON THE BONDS ARE SPECIAL, LIMITED OBLIGATIONS OF THE ISSUER, ISSUED UNDER THE ACT. THE PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST ON THE BONDS ARE PAYABLE SOLELY FROM THE TRUST ESTATE UNDER THE INDENTURE. THE BONDS AND THE INTEREST THEREON SHALL NOT CONSTITUTE A DEBT OF THE ISSUER, THE STATE OR ANY MUNICIPAL CORPORATION THEREOF AND ARE NOT PAYABLE IN ANY MANNER BY TAXATION. THE BONDS DO NOT CONSTITUTE AN INDEBTEDNESS WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY DEBT LIMITATION OR RESTRICTION.

The Issuer has relied on the borrower for all information regarding the Project contained in this Official Statement, has not conducted any independent investigation with respect to the Project and makes no representation as to the Project or regarding the creditworthiness of any party to the transaction. The Issuer has no knowledge and makes no representations regarding the management of the Project or the manager thereof.

EXCEPT FOR THE INFORMATION CONCERNING THE ISSUER IN THE SECTIONS HEREIN CAPTIONED "THE ISSUER" AND "NO LITIGATION – THE ISSUER," NONE OF THE INFORMATION IN THIS REMARKETING STATEMENT HAS BEEN SUPPLIED OR VERIFIED BY THE ISSUER, AND THE ISSUER MAKES NO REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AS TO THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION.

THE BORROWER AND THE PROJECT

The Borrower and the Project Manager

The Borrower. The Borrower is a limited liability company formed on November 9, 1995 under the laws of the State of Kansas. The Borrower will have no material assets other than the Project. The Borrower does not have, and is not expected to have, any employees of its own. The Borrower acquired the Project on December 8, 1999. The managers of the Borrower are Paul Fingersh and Peter Engelman. All operations of the Borrower will be conducted by employees of the Project Manager (see below). The Borrower's address is c/o KC Venture Group, LLC, 2020 West 89th Street, Suite 320, Leawood, Kansas 66206, Attention: Paul Fingersh.

The Loan is a nonrecourse obligation of the Borrower. No member of the Borrower will be personally liable with respect to the Loan or the Borrower's obligations under the Financing Agreement, the Tax Agreement or the Regulatory Agreement. Furthermore, except to the extent expressly set forth herein, no representation is made that the Borrower will have substantial funds available for the Project. Accordingly, no financial statements of the Borrower or its members are included in this Remarketing Statement.

The Project Manager and the Management Agreement. Nolan Real Estate Services, Inc., a Kansas corporation (the "Project Manager"), manages the Project under a management agreement (the "Management Agreement") with the Borrower. Paul Fingersh is a principal of the Project Manager and is also a principal of the Borrower. The Project Manager currently manages, directly or through affiliates, approximately 7,303 units of multifamily housing in 30 projects located in the states of Kansas, Texas, Illinois and Missouri. Under the Management Agreement, the Borrower will pay the Project Manager a management fee equal to 4% of the monthly gross collected rental income of the Project. The Management Agreement is subject to automatic one-year renewals unless either party gives the other 30 days' notice of termination.

The Project

The Project is a 435-unit multifamily housing facility known as The Falls Apartments (formerly Rockview Apartments and Whispering Falls Apartments). The Project is located at 6565 West Foxridge Drive in the City of Mission, Johnson County, Kansas. The Project was completed in 1970 and was substantially renovated by the Borrower in 1997-1998 and consists of 1, 2- and 3-story apartment buildings and a clubhouse. The buildings consist of reinforced concrete foundations with wood frame, brick and wood exteriors and asphalt single roofs. The site has 460 open and no covered parking spaces. Amenities include three laundry facilities, a Jacuzzi, fitness and business center, a clubhouse, two swimming pools and tennis, basketball and volleyball courts. Dwelling units include a refrigerator, stove/oven, garbage disposal, central heat and air, wall to wall carpeting and cable television metered at each unit.

Unit Mix and Current Rents

The unit profile, average size and current offered rents are as follows:

Type	Number	Square Feet	Current Offered Rents
Studio	273	400-600	$460-589
1BR/1BA	134	479-885	$595-702
2BR/1BA	9	618-800	$700-705
2BR/2BA	19	975-1,100	$848-856

Occupancy Rates

The following table shows the average occupancy rates of the Project during the calendar years indicated.

Year	Occupancy Rate
2012	89.00%
2013	92.22%
2014	91.71%
2015	93.65%

As of January 1, 2016, the Project had an occupancy rate of 91.49%.

Low Income Housing Limitations. The Project is subject to the Regulatory Agreement which imposes certain requirements on the Borrower with respect to the tax-exempt status of the Bonds under the Code, which include, among other requirements, a set aside of 20% of the units (the "Qualified Units") for rental to persons or families having incomes at or below 50% of area median gross income, adjusted for family size and determined in accordance with Section 142(d) of the Code. The Regulatory Agreement, which contains these limitations, has been filed in the official records of Johnson County, Kansas and imposes covenants restricting the use of the land to such purposes for the time periods required by the Code and the Act. The Borrower certified that the Project will be operated in compliance with the requirements of Section 142(d) of the Code and the Regulatory Agreement on the date of issuance of the Bonds. See "THE REGULATORY AGREEMENT." In addition, the Borrower has entered into an agreement with the Kansas Housing Resources Corporation that requires that (i) the rents for the Qualified Units will not exceed the rents for affordable units under the State's low income housing tax credit program, and (ii) the Borrower will not increase rents for the Qualified Units without the consent of the Kansas Housing Resources Corporation.

CERTAIN BONDOWNERS' RISKS

Purchase of the Bonds involves certain investment risks. In order to identify risk factors and make an informed investment decision, potential investors should be thoroughly familiar with this entire Remarketing Statement (including the Appendices to this Remarketing Statement) in order to make a judgment as to whether the Bonds are an appropriate investment. Certain of the risks associated with the purchase of the Bonds are described below. Such risks should not affect the payment of principal of and interest on the Bonds if the Credit Facility Provider fulfills the obligations under the Credit Facility. However, upon any inability or refusal of the Credit Facility Provider to fulfill the obligations under the Credit Facility, payment of the principal of and interest on the Bonds would be subject to the various risks described below. The following list of possible factors, while not setting forth all the factors that must be

considered, contains some of the factors which should be considered prior to purchasing the Bonds. *This discussion of risk factors is not, and is not intended to be, comprehensive or exhaustive.*

1. *Security for the Bonds*. The Bonds are limited obligations of the Issuer payable exclusively out of the loan payments payable under the Financing Agreement and draws on the Credit Facility (and, in certain circumstances, Bond proceeds and income from the temporary investment thereof). The Bonds are secured by a pledge by the Issuer of the Trust Estate to the Trustee in favor of the owners of the Bonds in accordance with the Indenture. A brief description of the Trust Estate is contained under the heading "SECURITY FOR THE BONDS."

The Bonds and the premium (if any) and the interest on the Bonds are special, limited obligations of the issuer, issued under the Act. The principal of, premium, if any, and interest on the Bonds are payable solely from the Trust Estate under the Indenture. The Bonds and the interest thereon shall not constitute a debt of the Issuer, the State or any municipal corporation thereof and are not payable in any manner by taxation. The Bonds do not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction.

No recourse shall be had for the payment of the principal of, or premium, if any, or interest on, any of the Bonds or for any claim based thereon or upon any obligation, provision, covenant or agreement contained in the Indenture, against any past, present or future director, trustee, officer, official, employee or agent of the Issuer, or any director, trustee, officer, official, employee or agent of any successor to the Issuer, as such, either directly or through the Issuer or any successor to the Issuer, under any rule of law or equity, statute or constitution or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such director, trustee, officer, official, employee or agent as such is expressly waived and released as a condition of and in consideration for the execution of the Indenture and the issuance of any of the Bonds. Neither the officers of the Issuer nor any person executing the Bonds shall be personally liable on the Bonds by reason of the issuance thereof.

2. *The Credit Facility*. The Credit Facility Provider will issue the Credit Facility which will authorize the Trustee to draw on the Credit Facility Provider, in accordance with the terms and conditions set forth in the Credit Facility, by drafts, periodically in an amount equal to the regular interest due on the Bonds and, in the event of the mandatory redemption, tender for purchase by a Bondowner, mandatory tender for purchase or acceleration of the maturity of the Bonds, an amount not to exceed the principal amount or purchase price of the Bonds then outstanding (the "Principal Portion") plus up to 43 days' accrued interest thereon (the "Interest Portion"). The Credit Facility is the Bondowners' expected source of payment of principal of and interest on the Bonds. Certain information with respect to the Credit Facility Provider is included in Appendix A to this Remarketing Statement.

3. *Expiration of the Credit Facility; Alternate Credit Facility*. The initial term of the Credit Facility expires on March 15, 2019, subject to extension or earlier termination in certain circumstances as described under the heading "THE CREDIT FACILITY." If the Credit Facility is not extended or an Alternate Credit Facility is not obtained by the Borrower, the Bonds will be subject to mandatory tender for purchase at the principal amount, without premium. There can be no assurance that the Borrower will be able to obtain an extension of the Credit Facility or an Alternate Credit Facility. The Credit Facility Provider is under no obligation to extend the Credit Facility beyond the scheduled expiration thereof. See "THE CREDIT FACILITY." From and after the Alternate Credit Facility Date, the Bonds will be secured by the Alternate Credit Facility. See "SECURITY FOR THE BONDS–Alternate Credit Facility." The Bonds while in any Interest Mode other than a Multiyear Mode are subject to mandatory tender on the

Alternate Credit Facility Date. See "TENDER AND PURCHASE OF BONDS–Mandatory Tender of Bonds--On Alternate Credit Facility Date."

4. *Credit Facility Provider's Obligations Unsecured*. The ability of the Credit Facility Provider to honor draws upon the Credit Facility is based solely upon the Credit Facility Provider's general credit and is not collateralized or otherwise guaranteed by the United States of America or any agency or instrumentality thereof. No provision has been made for replacement of or substitution for the Credit Facility in the event of any deterioration in the financial condition of the Credit Facility Provider. None of the Issuer, the Borrower or the Credit Facility Provider assumes any liability to any purchaser of the Bonds as a result of any deterioration of the financial condition of the Credit Facility Provider. Upon any insolvency of the Credit Facility Provider, any claim by the Trustee against the Credit Facility Provider or any receiver or conservator of the Credit Facility Provider would rank on parity with other general creditors of the Credit Facility Provider.

5. *Default by the Borrower under the Credit Facility Agreement*. No representation or assurance can be made that sufficient rental income will be realized by the Borrower in amounts necessary to make the payments required under the Credit Facility Agreement. If the Borrower is unable to make the payments required under the Credit Facility Agreement or otherwise commits an Event of Default under the Credit Facility Agreement, the Credit Facility Provider will have the right to terminate the Credit Facility and direct the Trustee to accelerate the Bonds or conduct a mandatory purchase of the Bonds pursuant to the Indenture. See "THE INDENTURE–Acceleration" and "–Mandatory Purchase" and "THE CREDIT FACILITY AGREEMENT."

6. *Risk of Taxability*. Failure of the Borrower to have complied with and to continue to comply with certain covenants contained in the Regulatory Agreement and the Tax Agreement and certain other events could result in a Determination of Taxability and in interest on the Bonds being taxable retroactive to the date of original issuance of the Bonds. Although the Bonds are subject to mandatory redemption upon a Determination of Taxability at the principal amount thereof, without premium, plus accrued interest to the redemption date, Bondowners would not be entitled to receive any amount denoted as "supplemental interest," "additional interest," "penalty interest," "liquidated damages" or otherwise, in addition to the amounts payable to the owners of the Bonds prior to the redemption date.

7. *Limitation on Enforcement of Remedies*. Enforcement of the remedies under the Indenture, the Financing Agreement, the Note, the Lease, the Sublease, the Tax Agreement, the Regulatory Agreement and the Credit Facility may be limited or restricted by laws relating to bankruptcy and insolvency, and rights of creditors under application of general principles of equity, and may be substantially delayed in the event of litigation or statutory remedy procedures. The various legal opinions to be delivered concurrently with the issuance and delivery of the Bonds will be qualified as to the enforceability of the various legal instruments by limitations imposed by principles of equity and by bankruptcy, reorganization, insolvency, moratorium and similar laws affecting the rights of creditors generally.

8. *Suitability of Investment*. An investment in the Bonds involves a certain degree of risk. The interest rate borne by the Bonds is intended to compensate the investor for assuming this element of risk. Prospective investors should carefully examine this Remarketing Statement, including the Appendices hereto, and their ability to bear the economic risk of such an investment, and then determine whether or not the Bonds are an appropriate investment for them.

9. *General Factors Affecting the Credit Facility Provider*. The Credit Facility Provider is subject to regulation and supervision by the Office of the Comptroller of the Currency, the Federal Deposit

Insurance Corporation and other regulatory bodies. New regulations could impose restrictions upon the Credit Facility Provider that would restrict its ability to respond to competitive pressures. In the recent past increased regulatory efforts have imposed new capital requirements upon the Credit Facility Provider. Various other legislative or regulatory changes could dramatically impact the banking industry as a whole and the Credit Facility Provider specifically. The banking industry is highly competitive in many of the markets in which the Credit Facility Provider operates. Such competition directly impacts the financial performance of the Credit Facility Provider. Any significant increase in such competition could adversely impact the Credit Facility Provider.

Prospective purchasers of the Bonds should evaluate the financial strength of the Credit Facility Provider based upon the information contained and referenced in Appendix A, and should not rely upon any governmental supervision by any regulatory entity.

10. *General Factors Affecting the Borrower*. No representation or assurance can be made that profits will be realized by the Borrower in amounts necessary to make the payments required under the Credit Facility Agreement or to make other payments in amounts sufficient to pay the principal of and interest on the Bonds in the event the Credit Facility Provider fails to honor draws under the Credit Facility. Future revenues and expenses are subject to, among other things, the capabilities of the Borrower and future economic and other conditions that are unpredictable.

11. *Early Redemption or Mandatory Tender.* Pursuant to the terms of the Indenture, the Bonds are subject to redemption or mandatory tender for purchase prior to maturity (see "THE BONDS–Optional Redemption" and "–Extraordinary Optional Redemption" and "TENDER AND PURCHASE OF BONDS–Mandatory Tender of Bonds"). Under those circumstances, a Bondowner whose Bonds are called for early redemption may not have the opportunity to hold those Bonds for a time period consistent with such Bondowner's original investment intentions. Any person who purchases a Bond should consider that the redemption or purchase price for the redeemed or tendered Bonds may be less than the market price of the Bonds at such time.

12. *Secondary Markets and Prices.* Except with respect to a mandatory tender of the Bonds (see "TENDER AND PURCHASE OF BONDS–Mandatory Tender of Bonds"), neither the Borrower nor the Credit Facility Provider will be obligated to repurchase any of the Bonds, and no representation is made concerning the existence of any secondary market for the Bonds. No assurance can be given that any secondary market will develop following the completion of the offering of the Bonds.

THE BONDS

General Description

The Bonds are issuable only as fully registered Bonds without coupons. The Bonds are issuable in Authorized Denominations. The Owner of any Bond or Bonds may surrender the same in exchange for an equal aggregate principal amount of Bonds of the same Series in any Authorized Denomination in the manner, subject to the conditions and upon the payment of the charges provided in the Indenture. No service charge shall be made for any transfer or exchange of Bonds, but the Trustee or the Issuer may require payment of any tax or governmental charge in connection therewith.

Interest Rates and Interest Payment Provisions

Initial Mode and Interest Rates. The Bonds shall initially be in the Weekly Mode. Interest accrued on the Bonds during each Interest Period shall be paid on the next succeeding Interest Payment Date and, while the Bonds are in a Weekly Mode or Monthly Mode, shall be computed on the basis of a year of 365 or 366 days, as appropriate, for the actual number of days elapsed.

Changes in Interest Modes. The Interest Mode for the Bonds may be changed from time to time at the option of the Borrower, with the prior written consent of the Credit Facility Provider exercised as described under this caption, to another Interest Mode selected by the Borrower, on an Interest Payment Date on which the Bonds are subject to optional redemption at a redemption price equal to the principal amount thereof, plus accrued interest, without premium. The Borrower may exercise such option at any time by giving written notice not more than 60 nor less than 45 days prior to the Interest Mode Adjustment Date to the Issuer, the Trustee, the Tender Agent, the Remarketing Agent and the Credit Facility Provider stating its election to convert the Interest Mode for the Bonds to another Interest Mode, which notice shall specify the new Interest Mode and the Interest Mode Adjustment Date. All Bonds will be in the same Interest Mode. Such Interest Mode Adjustment Date shall be a Rate Adjustment Date for the Bonds in such new Interest Mode. Upon the exercise of such option by the Borrower and upon the Trustee's receipt of the prior written consent of the Credit Facility Provider to the exercise of such option, the Trustee shall send an Interest Mode Adjustment Notice to each Owner of Bonds, and, in the event of a conversion to a Weekly Mode or a Monthly Mode from any other Interest Mode, a Notice of Election to Tender Bonds in substantially the form attached to the Indenture.

The change in the Interest Mode will occur if (i) the Trustee has received, prior to sending the Interest Mode Adjustment Notice, an Opinion of Bond Counsel stating that the change in the Interest Mode is authorized and permitted by the Indenture and the Act and will not cause interest on the Bonds to be includable in gross income for federal income tax purposes and such Opinion of Bond Counsel is confirmed as of the Interest Mode Adjustment Date, (ii) the Credit Facility Provider has given its prior written consent to the change in the Interest Mode and shall have fully and timely made any payment due under the Credit Facility in connection with the related Interest Mode Adjustment Date pursuant to the Indenture, (iii) the Trustee has received a Credit Facility (which may be an amendment or replacement of the current Credit Facility from the current Credit Facility Provider) that includes coverage for interest consisting of (A) 35 days plus the number of days for the reinstatement of the interest component of the Credit Facility (calculated at the Maximum Rate on the basis of a year of 365 or 366 days) if the Bonds are in a Weekly Mode or Monthly Mode, or (B) 185 days plus the number of days for the reinstatement of the interest component of the Credit Facility (calculated at the highest rate the Bonds may bear during the remaining term of the current Credit Facility on the basis of a year of 360 days and twelve 30-day months) if the Bonds are in any other Interest Mode, or as otherwise required by the Rating Agency, (iv) the Trustee has received written evidence from the Rating Agency as to the rating on the Bonds to be in effect on the Bonds as of the Interest Mode Adjustment Date, and (v) with respect to a change to a Multiyear Mode, the Termination Date for the Credit Facility in effect on the Interest Mode Adjustment Date must be no earlier than the next Rate Adjustment Date or, if the interest rate is fixed to maturity, the first optional redemption date of the Bonds.

Determination of Interest Rates. Stern Brothers & Co., St. Louis, Missouri, has been appointed the remarketing agent (the "Remarketing Agent"). The Remarketing Agent shall determine the interest rate for the Bonds for the Rate Period commencing with each Rate Adjustment Date to be the lowest rate which, in the best judgment of the Remarketing Agent, on the Rate Determination Date, would result in the market value of the Bonds on the Rate Adjustment Date being equal to 100% of their principal amount. In determining such interest rate, the Remarketing Agent shall have due regard for general financial conditions

and such other conditions as, in the judgment of the Remarketing Agent, have a bearing on the interest rate on the Bonds, including then prevailing market conditions, the yields at which comparable securities are then being sold, the tender provisions applicable thereto during the forthcoming Rate Period, and the tax-exempt status of the Bonds. Each determination of the interest rate for the Bonds, as provided herein, shall be conclusive and binding upon the Bondowners, the Issuer, the Borrower, the Tender Agent, the Remarketing Agent, the Credit Facility Provider and the Trustee. Upon request, the Remarketing Agent shall give the Issuer, the Trustee, the Credit Facility Provider, the Borrower or the Tender Agent Immediate Notice of the interest rate on the Bonds at any time.

On each Rate Determination Date, the Remarketing Agent will determine the interest rate which such Bonds shall bear during the Rate Period following such Rate Determination Date. The interest rate so determined shall be effective on the Rate Adjustment Date. Promptly after each Rate Determination Date, the Remarketing Agent shall give written notice by facsimile or electronic mail of the interest rate so set to the Trustee and the Borrower.

Alternative Rate Calculation. If for any reason the interest rate for the Bonds is not or cannot be established as provided in the preceding paragraphs, or is held invalid or unenforceable by a court of law, the Bonds shall immediately convert to a Weekly Mode, anything in the Indenture to the contrary notwithstanding. The interest rate then shall be a rate equal to the lesser of (i) the SIFMA Municipal Swap Index plus 0.15% and, if such index is not then available, the last interest rate set for Bonds in the Weekly Mode, or (ii) the Maximum Rate.

Method and Place of Payment. Except as otherwise provided in the Indenture, the principal of, redemption premium, if any, and interest on the Bonds shall be payable in any coin or currency of the United States of America which, at the respective dates of payment thereof, is legal tender for the payment of public and private debts. Principal and premium, if any, shall be payable by check or draft at the Payment Office of the Trustee or at the office of any alternate Paying Agent, and, with respect to the Tender Price, at the Payment Office of the Tender Agent, upon presentation and surrender of such Bonds. Payment of interest on any Bond shall be made by check or draft of the Trustee mailed to the person in whose name such Bond is registered on the Bond Register as of the close of business of the Trustee on the Record Date for such Interest Payment Date, except that interest not duly paid or provided for when due shall be payable to the person in whose name such Bond is registered at the close of business on the Business Day immediately preceding the date of payment of such defaulted interest. In the case of an interest payment to any Owner of $1,000,000 or more in aggregate principal amount of Bonds as of the close of business of the Trustee on the Record Date for a particular Interest Payment Date or in the case of the purchase from an Owner of $1,000,000 or more in aggregate principal amount of Bonds on the Tender Date, payment of interest or the Tender Price, as applicable, is payable by electronic transfer in immediately available federal funds pursuant to the written instructions from any Owner of $1,000,000 or more in aggregate principal amount of Bonds. The electronic transfer instructions must include the name, address and ABA routing number of the bank (located in the continental United States) and the account name and number to which payment is to be credited and acknowledge an electronic transfer fee payable by the Owner. Written notice must be given by such Owner to the Trustee not less than 15 days prior to a Record Date and, with respect to payment of the Tender Price, which written notice accompanies the Owner's Notice of Election to Tender Bonds or is otherwise provided by the Owner three days prior to the Tender Date. All checks or drafts for the payment of the principal and redemption price of and interest on the Bonds shall include or have enclosed therewith the CUSIP number and appropriate payment amount for each CUSIP number. The Trustee shall use its best efforts to include the CUSIP number and appropriate payment amount for each CUSIP number with respect to all electronic transfers of the payment of the principal and redemption price of and interest on the Bonds.

If any Bondowner fails to provide a correct taxpayer identification number to the Trustee or the Tender Agent, the Trustee or the Tender Agent may impose a charge against such Bondowner sufficient to pay any governmental charge required to be paid as a result of such failure and such amount may be deducted by the Trustee or the Tender Agent from amounts otherwise payable to such Bondowner under the Indenture or under the Bonds.

Registration, Transfer and Exchange of Bonds

Under the Indenture, the Trustee is appointed Bond Registrar and will keep the Bond Register at its Payment Office. If the Trustee is not also acting as the Tender Agent, then no later than the second Business Day following each Record Date the Trustee shall send a copy of the Bond Register to the Tender Agent by first-class mail.

Any Bond may be transferred only upon the Bond Register upon surrender thereof to the Trustee duly endorsed for transfer or accompanied by an assignment duly executed by the registered Owner or such Owner's attorney or legal representative in such form as shall be satisfactory to the Trustee. Subject to the limitations on transfer and exchange described below, upon any such transfer, the Issuer shall execute and the Trustee shall authenticate and deliver in exchange for that Bond a new Bond or Bonds, registered in the name of the transferee, of any Authorized Denomination.

Any Bonds, upon surrender thereof at the Payment Office of the Trustee, together with an assignment duly executed by the Owner or such Owner's attorney or legal representative in such form as shall be satisfactory to the Trustee, may, at the option of the Owner thereof, be exchanged for an equal aggregate principal amount of the Bonds, of any Authorized Denomination.

In all cases in which Bonds shall be exchanged or transferred under the Indenture, the Issuer shall execute and the Trustee shall authenticate and deliver at the earliest practicable time Bonds in accordance with the provisions of the Indenture. The Trustee will promptly cancel all Bonds surrendered in any such exchange or transfer.

The Issuer or the Trustee may make a charge against each Bondowner requesting a transfer or exchange of Bonds for every such transfer or exchange of Bonds sufficient to reimburse it for any tax or other governmental charge required to be paid with respect to such transfer or exchange, the costs of printing, if any, each new Bond issued upon any transfer or exchange and the reasonable expenses of the Issuer and the Trustee in connection therewith, and such charge shall be paid before any such new Bond shall be delivered.

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

The person in whose name any Bond shall be registered on the Bond Register shall be deemed and regarded as the absolute Owner of such Bond for all purposes, and payment of or on account of the principal of and redemption premium, if any, and interest on any such Bond shall be made only to or upon the order of the registered Owner thereof or such Owner's attorney or legal representative (except that any such payments on Pledged Bonds shall be made to the Credit Facility Provider). All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond, including the interest thereon, to the extent of the sum or sums so paid.

Limitation on Transfer and Exchange

If an Alternate Credit Facility is provided, the Indenture imposes limitations upon the transfer or exchange of Bonds unless the Issuer, the Trustee, the Borrower and the Credit Facility Provider have received an Opinion of Counsel in form and substance satisfactory to the Issuer, the Trustee, the Borrower and the Credit Facility Provider, that the Bonds and the Alternate Credit Facility are exempt from registration under the Securities Act of 1933 and any applicable state securities laws.

Mutilated, Lost, Stolen, Destroyed or Undelivered Bonds

If any Bond is mutilated, lost, stolen or destroyed, the Issuer shall execute and the Trustee shall authenticate and deliver a new Bond of like date and tenor as the Bond mutilated, lost, stolen or destroyed; provided that, in the case of any mutilated Bond, such mutilated Bond shall first be surrendered to the Trustee, and in the case of any lost, stolen or destroyed Bond, there shall be first furnished to the Trustee evidence of such loss, theft or destruction satisfactory to the Trustee, together with indemnity to hold harmless the Issuer and the Trustee, in form and substance satisfactory to the Trustee. If any such Bond has matured, is about to mature or been called for redemption, instead of issuing a substitute Bond the Paying Agent may pay the same without surrender thereof. Upon the issuance of any substitute Bond, the Issuer and the Trustee may require the payment of any amount by the Bondowner sufficient to reimburse the Issuer and the Trustee for any tax or other governmental charge that may be imposed in relation thereto and any other reasonable fees and expenses incurred in connection therewith.

If there are Undelivered Bonds, the Trustee shall authenticate and deliver, with such delivery to occur at the Payment Office of the Trustee to the new Owner or Owners thereof a new Bond or Bonds of like amount in Authorized Denominations registered in the name of the new Owner or Owners thereof. It shall be the duty of the Tender Agent to hold the moneys received from the remarketing of a replacement Bond issued in place of an Undelivered Bond, without liability for interest thereon, for the benefit of the former Bondowner, who shall thereafter be restricted exclusively to such moneys for any claim of whatever nature under the Indenture or with respect to the Undelivered Bond and so long as the moneys held by the Tender Agent equal the full amount due on such Bond on the Tender Date, whether from such remarketing or payment under the Credit Facility, such Bond shall thereafter no longer be secured by the Indenture or the Credit Facility (except for such moneys so held). Such moneys shall be held by the Tender Agent in the Undelivered Bond Account, along with any other moneys deposited in the Undelivered Bond Account pursuant to the Indenture. No moneys held in the Undelivered Bond Account shall be invested.

Optional Redemption

Optional Redemption of Bonds Not in Multiyear Mode. Bonds (other than Bonds in a Multiyear Mode) are subject to redemption and payment prior to maturity, at the option of and upon written instructions from the Borrower with the prior written consent of the Credit Facility Provider, in whole on any date or in part on any Interest Payment Date, in Authorized Denominations, at the principal amount thereof, without premium, plus accrued interest to the redemption date, from proceeds of a payment under the Credit Facility.

Optional Redemption of Bonds in Multiyear Mode. The Bonds in a Multiyear Mode are subject to redemption and payment prior to maturity, at the option of and upon written instructions from the Borrower with the prior written consent of the Credit Facility Provider, in whole on any date or in part on any Interest Payment Date, in Authorized Denominations, at the redemption prices (expressed as percentages of the

principal amount) set forth in the Indenture, plus accrued interest to the redemption date, from proceeds of a payment under the Credit Facility (except with respect to premium, if any) as provided in the Indenture.

Notice of Optional Redemption Conditional. Any provision in the Indenture to the contrary notwithstanding, the notice of the optional redemption of Bonds shall state that it is conditioned upon receipt by the Trustee of sufficient Available Moneys to redeem the Bonds, and such notice and optional redemption shall be of no effect if either (i) by no later than the scheduled redemption date, sufficient Available Moneys to redeem the Bonds are not on deposit with and available to the Trustee, or (ii) the Credit Facility Provider rescinds the redemption notice on or prior to the scheduled redemption date.

Extraordinary Optional Redemption

The Bonds are subject to redemption, at the option of and upon written instructions from the Borrower, with the prior written consent of the Credit Facility Provider, in whole or in part on the earliest practicable date for which notice can be given, upon the occurrence of a condemnation, loss of title or casualty loss to the Project, from proceeds of a payment under the Credit Facility, at the principal amount thereof, without premium, plus accrued interest to the redemption date.

Purchase of Bonds in Lieu of Redemption

Under the Indenture, at any time the Bonds are subject to redemption pursuant to the provisions of the Indenture all (but not less than all) of the Bonds to be redeemed may be purchased by the Trustee (for the account of the Borrower or the Credit Facility Provider or their respective designee, as directed by such party), on the date which would be the redemption date, at the direction of the Credit Facility Provider or the Borrower (except in the case of a redemption resulting from the occurrence of an Event of Default under the Indenture or under the Credit Facility Agreement, in which case only at the direction of the Credit Facility Provider or at the direction of the Borrower with the written consent of the Credit Facility Provider) upon at least one Business Day's notice prior to the redemption date, at a purchase price equal to the redemption price which would have been applicable to the Bonds on the redemption date. The Bonds will be purchased in lieu of redemption only from Available Moneys. If the Trustee does not have on deposit Available Moneys by the time by which the Trustee is to request payment on the Credit Facility in accordance with the Indenture, the Trustee will request payment on the Credit Facility in accordance with the Indenture. If the Trustee is so directed to purchase Bonds in lieu of redemption, no notice to the Owners of the Bonds to be purchased (other than the notice of redemption otherwise required under the Indenture) is required. The Trustee is authorized to apply to the purchase of the Bonds the funds in the Redemption Account that would have been used to pay the redemption price for the Bonds if the Bonds had been redeemed rather than purchased. Bonds purchased for the account of the Borrower will constitute Pledged Bonds.

Selection of Bonds to be Redeemed

When less than all of the Outstanding Bonds are to be redeemed and paid prior to maturity pursuant to the Indenture, the Bonds or portions of Bonds to be redeemed shall be selected by the Trustee, in such equitable manner as it may determine, in integral multiples of $5,000 (except that no Bond may be redeemed in part if the principal amount thereof to remain Outstanding following such partial redemption is not itself an Authorized Denomination); provided that Bonds shall be redeemed in the following order of priority: (1) Pledged Bonds; (2) Tendered Bonds; and (3) any other Bonds. The Trustee shall give written notice to the Remarketing Agent of the Bonds so selected for redemption. For purposes of this paragraph, in connection with the payment of Pledged Bonds, the Trustee is deemed to know the principal amount of Pledged Bonds only if the Trustee has received written notice to that effect.

In the case of a partial redemption of Bonds when Bonds of denominations greater than the minimum Authorized Denomination are then Outstanding, then for all purposes in connection with such redemption each unit of face value of $5,000 in excess of the Authorized Denomination shall be treated as though it was a separate Bond of $5,000. If one or more, but not all, of the $5,000 units of principal amount in excess of the minimum Authorized Denomination represented by any Bond are selected for redemption, then upon notice of intention to redeem such unit or units, the Owner of such Bond or his attorney or legal representative shall forthwith present and surrender such Bond to the Trustee (i) for payment of the redemption price (including the redemption premium, if any, and interest to the date fixed for redemption) of the Unit or Units of principal amount called for redemption, and (ii) for exchange, without charge to the Owner thereof, for a new Bond or Bonds of the aggregate principal amount of the unredeemed portion of the principal amount of such Bond. If the Owner of any such Bond of a denomination greater than the minimum Authorized Denomination shall fail to present such Bond to the Trustee for payment and exchange as aforesaid, said Bond shall, nevertheless, become due and payable on the redemption date to the extent of the unit or units of principal amount called for redemption and shall cease to accrue interest on such amount.

No Bond may be redeemed in part if the principal amount thereof to remain Outstanding following such partial redemption is not an Authorized Denomination.

Notice of Redemption; Effect of Call

Notice of Redemption. Subject to the conditional notice provisions of the Indenture with respect to the optional redemption of the Bonds (see "–Optional Redemption--Notice of Optional Redemption Conditional" above), unless waived by any Owner of Bonds to be redeemed, notice of the call of Bonds in the Weekly Mode or the Monthly Mode for any redemption identifying the Bonds or portions thereof to be redeemed shall be given by the Trustee, in the name of the Issuer, to the Remarketing Agent, the Credit Facility Provider, the Borrower and the Owner of each Bond to be redeemed at the address shown on the Bond Register by mailing a copy of the redemption notice by first-class mail, postage prepaid, at least 15 days and not more than 30 days prior to the redemption date; provided, however, that failure to give such notice by mailing as aforesaid to any Bondowner or any defect therein as to any particular Bond shall not affect the validity of any proceedings for the redemption of any Bonds. As provided in the Indenture, any notice of redemption shall state the date and place of redemption (and in the case of the redemption of a portion of any Bond, the numbers of the Bonds or portions of Bonds to be redeemed and the principal amount thereof being redeemed), the redemption prices and that interest will cease to accrue from and after the redemption date. The Trustee shall not give the notice described above with respect to redemption of the Bonds described herein under the captions "THE BONDS–Optional Redemption" or "THE BONDS–Extraordinary Optional Redemption" without the prior written consent of the Credit Facility Provider.

Notice of Redemption for the Bonds in an Interest Mode other than a Weekly or Monthly Mode shall be given as provided in the Indenture.

All official notices of redemption (regardless of the Interest Mode of the Bonds) shall be dated and shall state:

(1) the redemption date,

(2) the redemption price,

(3) if less than all Outstanding Bonds are to be redeemed, the identification number, maturity date and, in the case of partial redemption of any Bond, the respective principal amounts of the Bonds to be redeemed,

(4) that on the redemption date the redemption price will become due and payable upon each such Bond or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date, and

(5) the place where such Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the Payment Office of the Trustee.

In addition to the notice described above, further notice shall be given by the Trustee on behalf of the Issuer as set forth in the Indenture, but no defect in said further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as above prescribed.

Effect of Call for Redemption. On or prior to the date fixed for redemption, Available Moneys available solely for such redemption in accordance with the requirements of the Indenture shall be deposited with the Trustee to pay the principal of the Bonds called for redemption, accrued interest thereon to the redemption date and the redemption premium, if any, thereon. Upon the happening of the above conditions, and notice having been given as provided in the Indenture, the Bonds or the portions of the principal amount of Bonds thus called for redemption shall cease to bear interest on the specified redemption date, provided moneys (which must be Available Moneys when required by the optional, mandatory and extraordinary redemption provisions of the Indenture) sufficient for the payment of the redemption price of the Bonds called for redemption are on deposit at the place of payment at the time fixed for such redemption, and shall no longer be entitled to the protection, benefit or security of the Indenture and shall not be deemed to be Outstanding under the provisions of the Indenture.

TENDER AND PURCHASE OF BONDS

Optional Tender of Bonds

General. While the Bonds are in a Weekly Mode or Monthly Mode, the Owner of any Bond has the right to have such Bond purchased in whole or in part on a Business Day which is at least seven calendar days after the receipt by the Tender Agent of a Notice of Election to Tender Bonds (described in the next paragraph) at the Tender Price. Any purchase in part shall be in a principal amount equal to an Authorized Denomination and after such purchase in part the Owner shall retain a principal amount equal to an Authorized Denomination. An Owner's exercise of the option to have such Bond purchased is irrevocable and binding on the Owner and cannot be withdrawn. If any Owner of Bonds shall fail to deliver the Bonds described in the Owner's Notice of Election to Tender Bonds in accordance with the provisions of the Indenture, such Bonds shall constitute Undelivered Bonds. Bonds in the place of such Undelivered Bonds shall be executed, authenticated and delivered as provided in the Indenture and such replacement Bonds may be offered and sold by the Remarketing Agent in accordance with the Indenture and the Remarketing Agreement.

Notice of Tender by Bondowners. In order for any Bond, or portion thereof, to be purchased on the Tender Date by the Tender Agent on the demand of the Owner, the Owner must deliver to the Tender Agent on a Business Day at its Administrative Office an irrevocable written notice in the form of the Notice of Election to Tender Bonds which states (A) the principal amount and number of such Bond (and the portion of such Bond to be purchased if less than the full principal amount is to be purchased), the name

and the address of such Owner and the taxpayer identification number, if any, of such Owner and (B) that such Bond, or portion thereof, is to be purchased on a day (which shall be the Tender Date), which day will be a Business Day which is at least seven, but not more than 30, calendar days after the receipt by the Tender Agent of such Notice of Election to Tender Bonds. Such Notice of Election to Tender Bonds shall be deemed received on a Business Day if received by the Tender Agent no later than 3:00 p.m., New York Time, on such Business Day. Any Notice of Election to Tender Bonds received by the Tender Agent after 3:00 p.m., New York Time, shall be deemed received on the next succeeding Business Day.

Any Owner of Bonds who has demanded purchase of its Bond, or portion thereof, shall deliver such Bond (with an appropriate transfer of registration form executed in blank, together with a signature guaranty) to the Tender Agent at its Payment Office prior to 10:30 a.m., New York Time, on the Tender Date specified in the aforesaid written notice.

Mandatory Tender of Bonds

On Termination Date or Interest Mode Adjustment Date. All Bonds are required to be tendered to the Tender Agent for purchase on the Termination Date or an Interest Mode Adjustment Date. Any Bondowner that is required to tender its Bonds as described in this paragraph shall be required to tender its Bonds to the Tender Agent for purchase at its Payment Office prior to 10:30 a.m., New York Time, on the Termination Date or the Interest Mode Adjustment Date, as applicable, and, if a Bondowner fails to tender its Bonds on any such date, such Bonds shall be deemed tendered and shall be converted to Undelivered Bonds and replacement Bonds shall be executed, authenticated and delivered in the place of such Undelivered Bonds as provided in the Indenture and such replacement Bonds may be offered and sold by the Remarketing Agent in accordance with the Indenture and the Remarketing Agreement.

On Alternate Credit Facility Date. All Bonds are required to be tendered to the Tender Agent for purchase on an Alternate Credit Facility Date. Any Bondowner that is required to tender its Bonds as described in this paragraph shall be required to tender its Bonds to the Tender Agent for purchase at its Payment Office prior to 10:30 a.m., New York Time, on the Alternate Credit Facility Date and, if a Bondowner fails to tender its Bonds on any such date, such Bonds shall be deemed tendered and shall be converted to Undelivered Bonds and replacement Bonds shall be executed, authenticated and delivered in the place of such Undelivered Bonds as provided in the Indenture and such replacement Bonds may be offered and sold by the Remarketing Agent in accordance with the Indenture and the Remarketing Agreement.

Mandatory Tender in Lieu of Acceleration on Default. Additionally, all Bonds shall be subject to mandatory tender for purchase on the Mandatory Purchase Date from the Bondowners by the Trustee for the account of the Credit Facility Provider in lieu of acceleration of the Bonds upon a default in the payment of principal of, Tender Price or interest on the Bonds and the acceleration of the Bonds, upon the failure of the Credit Facility Provider to reinstate the interest portion of the Credit Facility within the time period provided for in the Credit Facility or the mandatory purchase of Bonds upon a default by the Borrower under the Credit Facility Agreement. Upon receipt of notice from the Credit Facility Provider directing the Trustee to purchase the Bonds and setting the Mandatory Purchase Date, which shall be a Business Day which is at least 3 and no more than 10 calendar days after the receipt by the Trustee of such notice, the Trustee shall immediately request a payment under the Credit Facility to be received no later than 3:30 p.m., New York Time, on the Mandatory Purchase Date, and shall also send notice to the Bondowners of the mandatory purchase. On the Mandatory Purchase Date, the Tender Agent shall pay to the Bondowners the purchase price for the Bonds, which shall be an amount equal to 100% of the principal amount of any Bond tendered or deemed tendered plus accrued and unpaid interest thereon to the Mandatory Purchase Date. Any Bondowner required to tender Bonds as described in this paragraph shall tender its Bonds to the

Tender Agent for purchase at its Payment Office prior to 10:30 a.m., New York Time, on the Mandatory Purchase Date. The failure to tender Bonds on any such date is the equivalent of a tender and such Bonds shall be converted to Undelivered Bonds and replacement Bonds shall be executed, authenticated and delivered in the place of such Undelivered Bonds.

Upon Determination of Taxability. The Bonds are subject to mandatory tender on the earliest practicable date for which notice can be given, if a Determination of Taxability occurs. Any Bondowner required to tender Bonds under this subsection shall tender its Bonds to the Tender Agent for purchase at its Payment Office prior to 10:30 a.m., New York Time, on the date established by the Trustee in the notice of mandatory tender. The failure to tender Bonds on any such date is the equivalent of a tender, and such Bonds shall be converted to Undelivered Bonds and replacement Bonds shall be executed, authenticated and delivered in the place of such Undelivered Bonds as provided in the Indenture and such replacement Bonds may be offered and sold by the Remarketing Agent in accordance with the Indenture and the Remarketing Agreement, subject to the provisions of the Indenture.

Notice of Mandatory Tender. The Trustee shall give notice to Bondowners of the mandatory tender for purchase of Bonds not less than 20 or more than 30 calendar days prior to the mandatory Tender Date (not less than three days or more than 5 calendar days for mandatory tender in lieu of acceleration).

Failure to Give Notice. Failure by the Trustee to give any notice as described above, any defect therein or any failure by any Bondowner to receive any such notice shall not in any way change such Owner's obligation to tender the Bonds for purchase on any mandatory Tender Date.

No Remarketing. No Bond purchased on the Termination Date pursuant to the Indenture shall be remarketed on any date prior to the delivery of an Alternate Credit Facility. No Bond purchased on the Mandatory Purchase Date because of the occurrence of an "Event of Default" under the Credit Facility Agreement shall be remarketed until the Credit Facility Provider has given written notice to the Trustee of the written rescission of the notice of an "Event of Default" under the Credit Facility from the Credit Facility Provider.

Irrevocability of Elections; Return of Improperly Completed Documents

The Tender Agent, to whom a Notice of Election to Tender Bonds has been delivered, shall determine whether such Notice has been properly completed and such determination shall be binding on the Owner of such Bond. Any election by a Bondowner to exercise the option to have its Bond or Bonds purchased, shall be irrevocable upon delivery to the Tender Agent of the Notice of Election to Tender Bonds (together with, if required at the time of delivery of such notice, the Tendered Bonds). The Tender Agent shall promptly return any incomplete or improperly completed Notice of Election to Tender Bonds (together with, if required, the Tendered Bonds) to the Person or Persons submitting such documents.

Purchase of Tendered Bonds

Tendered Bonds shall be purchased from the Owners thereof on the Tender Date at the Tender Price which shall be payable solely from the following sources in the order of priority listed:

(1) Remarketing Proceeds;

(2) proceeds of a payment under the Credit Facility to purchase the Tendered Bonds;

(3) Available Moneys from any other source; and

(4) moneys from any other source.

On each Tender Date, all Bonds purchased with Remarketing Proceeds shall be delivered and registered as directed by the Remarketing Agent pursuant to the Indenture. The Tender Agent shall pay the Tender Price for each Tendered Bond prior to the Tender Agent's close of business on the Tender Date only after receipt of such Bond, properly endorsed in blank, together with a signature guaranty. Payment of the Tender Price of any Bond tendered for purchase shall be made: (1) by check or draft mailed to the Owner thereof at his address as it appears on the Bond Register or at such other address as is furnished to the Tender Agent in writing by such Owner; or (2) in the case of the purchase from an Owner of $1,000,000 or more in aggregate principal amount of Bonds, by electronic transfer of immediately available federal funds to such Owner upon written notice from such Owner which written notice accompanies such Owner's Notice of Election to Tender Bonds. The electronic transfer instructions must describe the name and ABA routing number of the bank (located in the continental United States) and the account number and acknowledge an electronic transfer fee payable by the Owner.

The Trustee shall take the following actions with respect to Tendered Bonds:

(1) with respect to Bonds which have been remarketed and for which the Tender Agent has received payment, on the written advice of the Remarketing Agent, authenticate said Bonds in the names of the purchasers thereof and in the appropriate denominations, and deliver said Bonds to the Remarketing Agent upon the Tender Agent's receipt of payment therefor;

(2) with respect to Tendered Bonds which have not been remarketed and which are to be purchased by the Borrower and pledged to the Credit Facility Provider pursuant to the Bond Pledge Agreement, register said Bonds as owned by the Borrower and pledged to the Credit Facility Provider and hold such Bonds as agent and bailee for the Credit Facility Provider in accordance with the terms of the Bond Pledge Agreement; and

(3) with respect to all Bonds which have been physically tendered, cancel such certificates.

Notwithstanding anything in the Indenture to the contrary, the Tender Agent shall pay the Tender Price with respect to an Undelivered Bond only upon actual receipt of such Bond and such Tender Price shall be equal to the principal amount of such Bond plus accrued interest to the Tender Date. An Undelivered Bond shall not be considered Outstanding pursuant to the Indenture and shall not be secured by the Credit Facility.

Remarketing of Tendered Bonds

Pursuant to the terms of the Indenture and the Remarketing Agreement, and upon receipt of notice from the Tender Agent, specifying the principal amount of Tendered Bonds, as provided in the Indenture, the Remarketing Agent shall exercise its best efforts to sell all of such Tendered Bonds as provided in the Remarketing Agreement; provided, however, that the Remarketing Agent shall not remarket any Bonds at a price below par plus accrued interest thereon; provided further that the Remarketing Agent shall not remarket any Bonds which have been selected for redemption by the Trustee and of which the Remarketing Agent has received notice from the Trustee pursuant to the Indenture unless the Remarketing Agent has given notice of such redemption to the proposed purchaser and such purchaser has acknowledged such redemption.

The Remarketing Agent shall transfer, by wire transfer in immediately available funds, an amount equal to the proceeds to be derived from such sale of Tendered Bonds to the Tender Agent at or before 10:00 a.m., New York Time, on the Tender Date; provided, however, that in no event shall the Remarketing Agent be obligated to transfer any funds to the Tender Agent in excess of Remarketing Proceeds that the Remarketing Agent has received from purchasers of Tendered Bonds. The Tender Agent shall immediately notify the Trustee in writing of any amount received by the Tender Agent from the Remarketing Agent. The Trustee shall transfer from the Purchase Fund from the proceeds received from the Credit Facility, by wire transfer in immediately available funds to the Tender Agent at or before 3:30 p.m., New York Time, on the Tender Date, any additional amount needed by the Tender Agent to pay the full Tender Price on the Tender Date.

The Trustee shall, on the Tender Date, remit to the Credit Facility Provider the remainder of the funds in the Purchase Fund (other than any funds being held for the benefit of former Owners of Undelivered Bonds) which were not transferred to the Tender Agent on such Tender Date including all investment earnings thereon as soon thereafter as available. The Tender Agent shall, on the Tender Date, remit to the Credit Facility Provider the amount (if any) by which the sum of the amounts transferred to the Tender Agent by the Remarketing Agent and the amounts transferred to the Tender Agent by the Trustee exceed the Tender Price of the Tendered Bonds to the extent such funds are owed to the Credit Facility Provider, as certified in writing by the Credit Facility Provider, and if no funds are owed to the Credit Facility Provider, such amount shall be remitted to the Borrower.

Purchase Fund

The Purchase Fund has not been pledged or assigned under the Indenture and is not subject to the lien created by the Indenture. Upon receipt by the Tender Agent of the proceeds of a remarketing of Tendered Bonds (other than Bonds remarketed to the Issuer or the Borrower, which will be transferred to the Trustee for deposit in a separate trust account in the Purchase Fund), the Tender Agent shall deposit such funds in a segregated escrow account maintained by the Tender Agent and designated "Undelivered Bond Account" which funds shall not be invested, and the Tender Agent shall not be liable to the Issuer or the Borrower for any interest thereon, and any moneys shall be held for the benefit of the owners of the Tendered Bonds and applied as provided in the Indenture. The Trustee shall deposit moneys received from the Credit Facility Provider pursuant to a payment on the Credit Facility in accordance with the Indenture in the Purchase Fund for application to the Tender Price of the Tendered Bonds. Upon receipt by the Trustee of the proceeds of the placement of Pledged Bonds on a Placement Date, the Trustee shall deposit such moneys in the Purchase Fund for payment to the Credit Facility Provider to the extent that such Pledged Bonds were purchased from moneys drawn from the Credit Facility and not reimbursed to the Credit Facility Provider by the Borrower and, thereafter, to the Borrower. Moneys from the remarketing of Tendered Bonds to the Issuer or the Borrower, shall be applied solely to the purchase price of Pledged Bonds. No payment under the Credit Facility shall be applied to the payment of Pledged Bonds.

On any Tender Date or Placement Date, the Trustee shall transfer on the Bond Register ownership of all of the Tendered Bonds to the names of the respective purchasers thereof. From and after such date, the principal of, redemption premium, if any, and interest on such Bonds shall be payable solely to such purchasers, their transferees or the successors thereto, except as provided in the Bond Pledge Agreement with respect to Pledged Bonds. The Owners of Tendered Bonds immediately prior to a Tender Date with respect to which a Notice of Election to Tender Bonds has been given pursuant to the Indenture shall be entitled solely to payment of the Tender Price for such Bonds upon delivery thereof to the Tender Agent as provided in the Indenture and shall not be entitled to the payment of any principal, redemption premium, if any, or interest thereon thereafter.

No Remarketing After Certain Defaults

Notwithstanding any provision of the Indenture to the contrary, there shall be no remarketing of Bonds pursuant to the Indenture if there has occurred and is continuing an Event of Default described in the Section herein captioned "THE INDENTURE – Events of Defaults."

Remarketing Agent

The Borrower, with the prior written consent of the Credit Facility Provider, or, if an event of default under the Credit Facility Agreement exists, the Credit Facility Provider shall appoint the Remarketing Agent for the Bonds, subject to the conditions set forth in the Indenture. The Remarketing Agent shall designate to the Trustee its principal office and signify its acceptance of the duties and obligations imposed upon it under the Indenture by a written instrument of acceptance or a remarketing agent agreement delivered to the Issuer under which the Remarketing Agent will also agree to keep such books and records as shall be consistent with prudent industry practice and to make such books and records available for inspection by the Issuer, the Trustee, the Tender Agent, the Borrower and the Credit Facility Provider at all reasonable times. The Borrower and the Remarketing Agent shall enter into a Remarketing Agreement the terms of which shall be subject to the written approval of the Credit Facility Provider.

The Remarketing Agent shall be a member of the National Association of Securities Dealers, Inc. or a national banking association, shall meet such capitalization or credit requirements as are acceptable to the Rating Agency (if any) and the Credit Facility Provider and shall be authorized by law to perform all the duties imposed upon it by the Indenture. The Remarketing Agent may at any time resign and be discharged of the duties and obligations created by the Indenture by giving at least 30 days' written notice to the Issuer, the Borrower, the Tender Agent, the Trustee and the Credit Facility Provider. The Remarketing Agent may be removed at any time, without cause, upon at least 30 days' written notice to the Remarketing Agent, at the direction of the Borrower by an instrument signed by the Authorized Borrower Representative, with the written consent of the Credit Facility Provider, or at the direction of the Credit Facility Provider if an event of default under the Credit Facility Agreement exists, filed with the Trustee, the Credit Facility Provider, the Borrower, the Tender Agent, the Issuer and the Remarketing Agent.

If the Remarketing Agent resigns or is removed, the Remarketing Agent shall pay over, assign and deliver any moneys and Bonds held by it in such capacity to its successor. If the Borrower fails to appoint a replacement Remarketing Agent, the Credit Facility Provider may do so. Notwithstanding the foregoing, no resignation or removal of the Remarketing Agent shall be effective until a replacement Remarketing Agent has been appointed and accepted in writing the obligations of the Remarketing Agent under the Indenture.

BOOK-ENTRY ONLY SYSTEM

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

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

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

So long as Cede & Co., as nominee of DTC, is the registered owner of any of the Bonds, the Beneficial Owners of such Bonds will not receive or have the right to receive physical delivery of the Bonds, and references herein to the registered owners of such Bonds shall mean Cede & Co. and shall not mean the Beneficial Owners of such Bonds.

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

Notices. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial

Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

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

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

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

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

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

None of the Remarketing Agent, the Trustee nor the Issuer will have any responsibility or obligations to any Direct Participants or Indirect Participants or the persons for whom they act with respect to (i) the accuracy of any records maintained by DTC or any such Direct Participant or Indirect Participant; (ii) the payment by any Participant of any amount due to any Beneficial Owner in respect of the principal of, premium, if any, or interest on the Bonds; (iii) the delivery by any such Direct Participant or Indirect Participant of any notice to any Beneficial Owner that is required or permitted under the terms of the Bond Resolution to be given to owners of the Bonds; (iv) the selection of the Beneficial Owners to receive payment in the event of any partial redemption of the Bonds; or (v) any consent given or other action taken by DTC as Bondholder.

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

and is not to be construed as a representation by the Borrower, the Issuer, the Trustee or the Remarketing Agent. The Borrower, the Issuer, the Trustee and the Remarketing Agent make no assurances that DTC, Direct Participants, Indirect Participants or other nominees of the Beneficial Owners will act in accordance with the procedures described above or in a timely manner.

SECURITY FOR THE BONDS

General

THE BONDS AND THE PREMIUM (IF ANY) AND THE INTEREST ON THE BONDS ARE SPECIAL, LIMITED OBLIGATIONS OF THE ISSUER, ISSUED UNDER THE ACT. THE PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST ON THE BONDS ARE PAYABLE SOLELY FROM THE TRUST ESTATE UNDER THE INDENTURE. THE BONDS AND THE INTEREST THEREON SHALL NOT CONSTITUTE A DEBT OF THE ISSUER, THE STATE OR ANY MUNICIPAL CORPORATION THEREOF AND ARE NOT PAYABLE IN ANY MANNER BY TAXATION. THE BONDS DO NOT CONSTITUTE AN INDEBTEDNESS WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY DEBT LIMITATION OR RESTRICTION.

The principal security for payment of the Bonds is the Credit Facility delivered in connection with the issuance of the Bonds. See "THE CREDIT FACILITY."

In addition, the Bonds will be secured by the Issuer's nonrecourse pledge and assignment under the Indenture of: (a) all right, title and interest of the Issuer (including, but not limited to, the right to enforce any of the terms thereof) in, to and under all Revenues derived by the Issuer under and pursuant to and subject to the provisions of the Financing Agreement, the Lease, the Sublease and the Credit Facility (but excluding the Reserved Rights; and (b) all other moneys and securities from time to time held by the Trustee under the terms of the Indenture (excluding arbitrage rebate whether or not held in the Rebate Fund and amounts held in the Principal Reserve Fund and the Purchase Fund), and any and all other property (real, personal or mixed) of every kind and nature from time to time after issuance of the Bonds, by delivery or by writing of any kind, pledged, assigned or transferred as and for additional security under the Indenture by the Issuer or by anyone in its behalf or with its written consent, to the Trustee, which is authorized by the Indenture to receive any and all such property at any and all times and to hold and apply the same subject to the terms thereof. See "THE FINANCING AGREEMENT" and "THE INDENTURE." It is not expected that any other property of the Borrower will be pledged, assigned or transferred as additional security for the Bonds.

PURCHASERS OF BONDS SHOULD NOT EXPECT THE BORROWER'S PAYMENTS UNDER THE FINANCING AGREEMENT TO CONSTITUTE SIGNIFICANT SECURITY FOR THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THE BONDS. THE BONDS ARE NOT SECURED BY THE PROJECT. However, because a default under the Credit Facility Agreement or the Financing Agreement may result in the acceleration or mandatory purchase of the Bonds, information with respect to such documents, the Borrower and the Project is contained in this Remarketing Statement in order to provide for an assessment of the risk of a default under such documents.

Alternate Credit Facility

The Borrower may, subject to any applicable provisions of the Credit Agreement, arrange for the substitution of an Alternate Credit Facility for the existing Credit Facility, and the Trustee will accept any Alternate Credit Facility, subject to the following provisions.

Each Alternate Credit Facility shall be an irrevocable direct–pay letter of credit, bank bond purchase agreement, bond insurance policy, revolving credit agreement, surety bond or other agreement or instrument issued and delivered in substitution for an existing Credit Facility, under which any person or entity (other than the Issuer or the Borrower) undertakes to make or provide funds to make payments of the principal of, premium, if any, and interest on the Bonds, as and when due, and payments of the purchase price of Bonds that have been tendered for purchase and for which Remarketing Proceeds have not been received.

Each Alternate Credit Facility delivered to the Trustee must be effective as of the Alternate Credit Facility Date (which must be on or prior to the date of expiration of the then existing Credit Facility), and must expire no earlier than one year from its date.

Each Alternate Credit Facility shall be in a stated amount at least equal to the sum of (1) the aggregate principal amount of the Bonds (other than Borrower Bonds) at the time Outstanding, plus (2) required coverage for interest consisting of (A) 35 days plus the number of days for the reinstatement of the interest component of the Credit Facility (calculated at the Maximum Rate on the basis of a year of 365 or 366 days) if the Bonds are in a Weekly Mode or Monthly Mode, or (B) 185 days plus the number of days for the reinstatement of the interest component of the Credit Facility (calculated at the highest rate the Bonds may bear during the remaining term of the current Credit Facility on the basis of a year of 360 days and twelve 30-day months) if the Bonds are in any other Interest Mode, or as otherwise approved by the Rating Agency by the issuance or confirmation of the Rating Agency's rating on the Bonds.

The Borrower shall give written notice to the Issuer, the Trustee, the Tender Agent, the Remarketing Agent, the Rating Agency and the Credit Facility Provider not more than 60 nor less than 30 calendar days prior to the Alternate Credit Facility Date stating its election to provide an Alternate Credit Facility on or before the expiration of the Credit Facility then in effect. A draft of the Alternate Credit Facility and the related Credit Facility Agreement and appropriate information concerning the issuer of the Alternate Credit Facility shall be submitted by the Borrower to the Rating Agency.

On or prior to any Alternate Credit Facility Date, the Borrower shall furnish to the Issuer and the Trustee:

(1) the original Alternate Credit Facility;

(2) an Opinion of Counsel from counsel to the Credit Facility Provider issuing the Alternate Credit Facility to the effect that the Alternate Credit Facility is a valid and binding obligation of such issuer or provider, enforceable in accordance with its terms, subject to customary exceptions relating to bankruptcy and insolvency;

(3) an Opinion of Bond Counsel, which shall also be addressed to the Issuer and the Trustee, stating that the delivery of the Alternate Credit Facility to the Trustee is authorized under the Indenture and complies with its terms and does not cause interest on the Bonds to be includable in gross income for federal income tax purposes;

(4) written evidence from the Rating Agency as to the rating on the Bonds to be in effect on the Bonds as of the Alternate Credit Facility Date;

(5) a certificate from the Authorized Borrower Representative and a written acknowledgment by the Authorized Credit Facility Provider Representative of the existing Credit Facility stating that all amounts owing to the Credit Facility Provider under the Credit Documents have been paid and that there are no Pledged Bonds outstanding; and

(6) a revised draw procedures exhibit to the Indenture.

The Bonds are subject to mandatory tender for purchase on the Alternate Credit Facility Date. See "TENDER AND PURCHASE OF BONDS-Mandatory Tender of Bonds--On Alternate Credit Facility Date."

Enforceability

The remedies available upon an Event of Default under either or both of the Financing Agreement or if the Credit Facility Provider should fail to honor a drawing under a Credit Facility will, in many respects, be dependent upon judicial decisions which are subject to discretion and delay. Upon the occurrence of an event of bankruptcy with respect to the Borrower or the Credit Facility Provider, under existing constitutional and statutory law and judicial decisions, including specifically, Title 11 of the United States Code (the Federal Bankruptcy Code), the remedies specified by the Federal Bankruptcy Code or in the Financing Agreement or the Indenture may not be readily available or may be limited against either the Borrower, the Credit Facility Provider or both. The various legal opinions to be delivered with the Bonds will be qualified as to the enforceability of the various legal instruments by reference to limitations imposed by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors generally.

THE CREDIT FACILITY

The Credit Facility will be an irrevocable, direct pay letter of credit issued by the Credit Facility Provider to pay, in immediately available funds, within a specified period of time after timely presentation by the Bond Trustee of specified certificates, an amount equal to $8,934,863 (the "Original Stated Amount"), consisting of (i) the principal amount of the Bonds at stated maturity or upon earlier redemption, plus (ii) 35 days' interest computed at the highest permissible rate of 10% per annum based on a 365–day year. The Trustee will draw moneys under the Credit Facility to the extent necessary to make payments of such amounts on the Bonds, including the purchase price of Bonds tendered for purchase. Drawings by the Trustee under the Credit Facility will reduce the amounts available for subsequent drawings, subject to reinstatement as provided in the Credit Facility.

The Credit Facility shall expire on the date the earliest to occur of the Credit Facility Provider's close of business on: (i) March 15, 2019 (the "Stated Expiration Date"), (ii) the date of receipt from the Trustee of a certificate stating that (a) no Bonds remain Outstanding within the meaning of the Indenture, (b) all drawings required to be made under the Indenture and available under the Credit Facility have been made and honored, or (c) an Alternate Credit Facility has been issued to replace the Credit Facility, (iii) the date on which a drawing to pay the principal of and accrued interest in respect of Bonds, the payment of which has been accelerated pursuant to the Indenture is honored by the Credit Facility Provider, (iv) the date which is 15 days following receipt by the Trustee of a written notice from the Credit Facility Provider specifying the occurrence of an event of default under the Credit Facility Agreement, and directing the Trustee to accelerate the Bonds or give notice of the mandatory tender of the Bonds, and (v) the date on which a drawing to pay the principal amount of and accrued interest on the Bonds maturing as scheduled under the Indenture is honored by the Credit Facility Provider.

The form of the Credit Facility is set forth in Appendix B.

Prior to its expiration, the Credit Facility may be replaced with an Alternate Credit Facility in accordance with the provisions of the Indenture. See "SECURITY FOR THE BONDS – Alternate Credit Facility" herein.

THE CREDIT FACILITY AGREEMENT

General

The following summarizes certain provisions of the Application for Letter of Credit and Reimbursement Agreement dated as of March 1, 2016 (the "Credit Facility Agreement"), between the Borrower and the Credit Facility Provider. Reference is made to the Credit Facility Agreement for the detailed provisions thereof. The Credit Facility is being issued pursuant to the Credit Facility Agreement, under which the Borrower will be obligated, among other things, to reimburse the Credit Facility Provider for the full amount of any drawing to be made under the Credit Facility. To the extent that any of the Borrower's reimbursement obligation is not paid, such reimbursement obligation shall bear interest at the rate set forth in the Credit Facility Agreement. The Borrower is also obligated to pay periodically certain amounts to the Credit Facility Provider as fees for the issuance and maintenance of the Credit Facility.

The Borrower has made certain affirmative representations, warranties and covenants and certain negative covenants to the Credit Facility Provider to induce the Credit Facility Provider to issue the Credit Facility to the Trustee. These covenants are exclusively for the benefit of the Credit Facility Provider and may be waived, modified or enforced as the Credit Facility Provider may determine.

Definitions

Terms not otherwise defined under this heading have the respective meanings set forth in Appendix C to this Remarketing Statement. In addition, for purposes of the Credit Facility Agreement the term "Bond Documents" means (i) the Indenture, (ii) the Financing Agreement, (iii) the Lease, (iv) the Sublease, (v) the Bond Pledge Agreement, (vi) the Credit Facility Agreement, (vii) the Guaranty Agreement, (viii) the Mortgage, (ix) the Environmental Indemnity Agreement, (x) any Interest Rate Protection Agreement (as defined in the Credit Facility Agreement) and (xi) any other document executed in connection with the Credit Facility and in connection with the issuance and sale of the Bonds.

Deposits by Borrower; Optional Redemption of Bonds

Under the Credit Facility Agreement, the Borrower has agreed to deposit $10,926 monthly with the Trustee, commencing April 1, 2016, for deposit in the Principal Reserve Fund. The Borrower may cause the optional redemption of the Bonds semiannually commencing December 1, 2016 and on each June 1 and December 1 thereafter, in the maximum principal amount, based upon the Principal Reserve Fund balance as of the date notice of optional redemption of the Bonds is given by the Trustee. If the Borrower causes the optional redemption of the Bonds semiannually up to the maximum possible amount, and unless the Borrower and the Credit Facility Provider mutually agree otherwise, during the initial term of the Credit Facility, the Bonds would be optionally redeemed as follows:

Redemption Date	Redemption Amount
December 1, 2016	$[_____]
June 1, 2017	
December 1, 2017	

June 1, 2018
December 1, 2018

The Credit Facility Agreement, and the terms, conditions and agreements contained therein, are solely for the benefit of the Credit Facility Provider and are not to be relied upon, nor are they enforceable by, the Bondowners or the Trustee. The deposit amounts, the deposit dates, the optional redemption amounts and the optional redemption dates, as well as the other terms, conditions and agreements in the Credit Facility Agreement (other than the form of the Credit Facility), are subject to change by agreement between the Borrower and the Credit Facility Provider at any time or otherwise as provided in the Credit Facility Agreement without the consent of or notice to the Trustee or the Bondowners.

Events of Default

Under the Credit Facility Agreement, an Event of Default shall exist if any of the following occurs and is continuing and is not waived in writing by the Credit Facility Provider pursuant to the Credit Facility Agreement:

(a) Payment Defaults. The Borrower fails to make or cause to be made any payment to the Credit Facility Provider required to be made pursuant to the Credit Facility Agreement or any of the Bond Documents, and such payment is not made within the later of any cure period provided for in the Credit Facility Agreement or any of the Bond Documents, or ten (10) days after written notice to the Borrower of such default ; provided, however, no cure or notice and cure periods apply to payments required to reimburse the Credit Facility Provider for draws on the Credit Facility.

(b) Other Covenant Defaults. The Borrower fails to perform or observe any other covenant or provision contained in the Credit Facility Agreement and any such failure shall remain unremedied for thirty (30) days after the earlier of (i) written notice of default is given to the Borrower by the Credit Facility Provider or (ii) any officer of the Borrower obtaining actual knowledge of such default.

(c) Default Under Bond Documents. The occurrence of any "default" as defined in any of the Bond Documents, including, without limitation, the Mortgage and the Guaranty Agreement, or the breach of any of the terms or provisions of any of the Bond Documents, including, without limitation, the Mortgage and the Guaranty Agreement, which default is continuing beyond any applicable cure period.

(d) Warranties or Representations. Any material warranty or representation by or on behalf of the Borrower or a Guarantor contained in the Credit Facility Agreement or in any of the Bond Documents or in any certificate or other instrument furnished to the Credit Facility Provider in connection herewith or with any of the Bond Documents is false in any material respect when made.

(e) Other Defaults. The Borrower, a Guarantor or any of HG Apartments, LLC, KC Tree House Apartments, LLC or Boulevard Apartments, LLC shall be declared by the Credit Facility Provider to be in default on or pursuant to the terms of any other obligation to the Credit Facility Provider or any affiliate thereof, including but not limited to any other letter of credit, line of credit, revolving credit, loan or industrial revenue bond financing, private activity revenue bond financing or any other agreement purporting to convey to the Credit Facility Provider or any

affiliate thereof a lien upon, security interest in or encumbrance upon any of the Combined Facilities of the Borrower, a Guarantor or the entities referenced above.

(f) Contests. Any Bond Document shall at any time for any reason cease to be in full force and effect or shall be declared to be null and void, or the validity or enforceability thereof shall be contested by the Borrower or a Guarantor or the transactions contemplated under the Credit Facility Agreement shall be contested by the Borrower or a Guarantor or if the Borrower or a Guarantor shall deny in writing that it has any or further liability or obligations under the Credit Facility Agreement.

(g) Events Indicating Bankruptcy or Insolvency.

(i) Adjudication by a court of competent jurisdiction that the Borrower or a Guarantor is bankrupt or the appointment of a receiver for the Borrower or a Guarantor for all or any part of its assets;

(ii) filing by the Borrower, a Guarantor or by any of their creditors of a petition under the provisions of the Bankruptcy Codes and Rules as now enacted or hereafter amended; and

(iii) making by the Borrower or a Guarantor of a general assignment for the benefit of creditors or an admission in writing by the Borrower or a Guarantor of inability to pay indebtedness.

(h) Financial Covenant. (i) The Borrower shall fail to operate the Project in a manner which maintains a debt service coverage ratio (calculated as described in the Credit Facility Agreement) of not less than 1.20 to 1.00 as of June 320, 2017 and December 31, 2017 or (ii) the Combined Facilities shall fail to be operated in a manner by the owners thereof which maintains a combined debt service coverage ratio (calculated as described in the Credit Facility Agreement) of not less than 1.25 to 1.00 as of June 30, 2017 and December 31, 2017.

(i) Principal Reserve Fund. The failure of the Borrower to timely deposit the monthly amount of $10,926 with the Trustee, to be deposited by the Trustee into the Principal Reserve Fund pursuant to the Credit Facility Agreement.

(j) Interest Rate Protection Agreement. The existence of any default by the Borrower under any Interest Rate Protection Agreement entered into between the Borrower and the Credit Facility Provider. Any Event of Default under the Credit Facility Agreement shall also constitute a default under any Interest Rate Protection Agreement.

(k) Guarantor's Financial Covenants. The Guarantor fails to maintain a financial covenant under its Guaranty Agreement.

Remedies

Upon the happening of any Event of Default, the Credit Facility Provider may by written notice to the Borrower invoke the Default Rate (as defined in the Credit Facility Agreement) and declare the entire principal amount of all Indebtedness then outstanding including interest accrued thereon to be immediately due and payable without presentment, demand, protest, notice of protest or dishonor or other notice of

default of any kind, all of which are, to the extent not prohibited by law, hereby expressly waived by the Borrower and proceed to enforce all other remedies available to it under the Credit Facility Agreement and the Bond Documents, and applicable law. No delay in the exercise of any right or remedy under the Credit Facility Agreement shall be deemed a waiver thereof and no partial exercise of any right or remedy shall preclude the Credit Facility Provider's further exercise of any right or remedy granted under the Credit Facility Agreement. No waiver of any right or remedy hereunder shall be effective unless signed in writing by Bank and then only as to the specific subject waived.

The remedies under the Credit Facility Agreement are to be cumulative and in addition to any other remedy available to the Credit Facility Provider and the exercise of any one or more such remedies shall not preclude the simultaneous or later exercise by such holders of any or all such other remedies. The Borrower hereby agrees to pay all costs, expenses and fees of the Credit Facility Provider, including reasonable attorneys' fees, incurred in enforcing or attempting to enforce or collect any monies owing by the Borrower pursuant to any of the Bond Documents, whether or not litigation be commenced.

Upon an Event of Default by the Borrower under the Credit Facility Agreement, the Credit Facility Provider may direct the Trustee to accelerate the Bonds or conduct a mandatory purchase of the Bonds pursuant to the Indenture. See "THE INDENTURE–Acceleration" and "–Mandatory Purchase."

Security for the Credit Facility Provider

The Credit Documents secure the obligations of the Borrower to the Credit Facility Provider. Pursuant to the Mortgage, the Borrower grants a mortgage lien, an assignment of rents and a security interest in the Project to the Credit Facility Provider. Pursuant to the Bond Pledge Agreement, the Borrower pledges to the Credit Facility Provider, as additional collateral, any Bonds purchased with the proceeds of a draw upon the Credit Facility. See "TENDER AND PURCHASE OF BONDS–Purchase of Tendered Bonds." Pursuant to the Guaranty Agreement, the Guarantor guarantees to the Credit Facility Provider the prompt and complete payment of the Borrower's reimbursement obligations under the Credit Facility Agreement, to the extent provided in the Guaranty Agreement.

The Credit Documents are exclusively for the benefit of the Credit Facility Provider and each may be waived, modified or enforced as the Credit Facility Provider may determine.

THE INDENTURE

The following, in addition to the information provided under "THE BONDS," summarizes certain provisions of the Indenture between the Issuer and the Trustee. Reference is made to the Indenture for the detailed provisions thereof.

Assignment and Pledge

Pursuant to the Indenture, as security for the Bonds, the Issuer assigns and pledges, without recourse, to the Trustee (a) all right, title and interest of the Issuer (including, but not limited to, the right to enforce any of the terms thereof) in, to and under all Revenues derived by the Issuer under and pursuant to and subject to the provisions of the Financing Agreement, the Lease, the Sublease and the Credit Facility (but excluding the Reserved Rights); and (b) all other moneys and securities from time to time held by the Trustee under the terms of the Indenture (excluding arbitrage rebate, whether or not held in the Rebate Fund, and amounts held in the Principal Reserve Fund and the Purchase Fund), and any and all other property (real, personal or mixed) of every kind and nature from time to time hereafter, by delivery or by

writing of any kind, pledged, assigned or transferred as and for additional security under the Indenture by the Issuer or by anyone in its behalf or with its written consent, to the Trustee. The Trustee also holds the Credit Facility for the benefit of the Bondowners.

It is not expected that any other property of the Borrower will be pledged, assigned or transferred as additional security for the Bonds.

Provisions for the Bonds

The Indenture makes provision for the issuance of the Bonds, their redemption and all other terms pertaining to the Bonds, as described in the section herein "THE BONDS."

Funds and Accounts

Establishment of Funds and Accounts. The following trust funds and accounts to be held by the Trustee are established under the Indenture: (a) the Revenue Fund, consisting of the Unavailable Moneys Account, the Available Moneys Account and the Credit Facility Account; (b) the Debt Service Fund, consisting of the Interest Account, the Principal Account and the Redemption Account; (c) the Purchase Fund; (d) the Principal Reserve Fund; and (e) the Rebate Fund.

Each Fund and Account shall be maintained by the Trustee as a separate and distinct trust fund or account to be held, managed, invested, disbursed and administered as provided in the Indenture. Each such Fund or Account shall be an Eligible Account. All moneys deposited in the Funds and Accounts shall be used solely for the purposes set forth in the Indenture. The Trustee shall keep and maintain adequate records pertaining to each Fund and Account and all disbursements therefrom.

Revenue Fund. The Trustee shall deposit into the Revenue Fund all Revenues (except as otherwise provided in the Indenture) and any other amounts received by the Trustee which are subject to the lien and pledge of the Indenture, to the extent not required to be deposited in other Funds and Accounts in accordance with the terms of the Indenture. The Trustee shall apply moneys from the Revenue Fund, first from moneys on deposit in the Credit Facility Account which represent payments received with respect to the Credit Facility, second, from moneys in the Available Moneys Account, and third, from investment earnings on Funds and Accounts (to the extent such moneys constitute Available Moneys), on each Interest Payment Date and Principal Payment Date on the Bonds, for application in the order of priority and for the purposes as follows:

(a) First, to the Interest Account of the Debt Service Fund, an amount sufficient to pay the interest becoming due and payable on the Bonds on such date,

(b) Second, to the Principal Account of the Debt Service Fund, an amount sufficient to pay the principal of the Bonds maturing on such date, if any; and

(c) Third, to the Redemption Account of the Debt Service Fund, an amount sufficient to pay the principal of and redemption premium, if any, on the Bonds subject to redemption on such date, if any.

Moneys in the Credit Facility Account remaining after the transfers made pursuant to the paragraph above shall be returned to the Credit Facility Provider as a reimbursement to the Borrower's account on the amounts paid under the Credit Facility.

The Trustee will deposit into the Unavailable Moneys Account other amounts received from the Borrower pursuant to the Credit Facility Agreement, principal, interest and premium payments made by the Borrower pursuant to the Financing Agreement. Upon the Credit Facility Provider's payment to the Trustee under the Credit Facility pursuant to a request under the Indenture for the payment of interest and principal of the Bonds upon a redemption of Bonds, the Trustee shall transfer from the Unavailable Moneys Account to the Credit Facility Provider the amount of interest on the Bonds paid under the Credit Facility plus any additional amount as the Trustee is directed in writing by the Credit Facility Provider, up to the amount of the payment made under the Credit Facility, as a reimbursement to the Credit Facility Provider of the payment made under the Credit Facility. In the event of an Event of Default described in the Section herein captioned "THE INDENTURE–Events of Default," any moneys on deposit in the Unavailable Moneys Account that become Available Moneys shall be transferred to the Available Moneys Account and applied in accordance with the Indenture.

The Trustee will also deposit into the Unavailable Moneys Account moneys received from the Borrower to be applied to the purchase of Bonds pursuant to the Indenture or the redemption of Bonds pursuant to the Indenture. When moneys deposited pursuant to the preceding sentence become Available Moneys, such Available Moneys shall be transferred to the Available Moneys Account. Any moneys remaining in the Unavailable Moneys Account following the redemption or purchase of Bonds with respect to which such deposit was made shall be applied first to pay the Credit Facility Provider any amounts due and payable under the Credit Facility Agreement, second to pay the accrued and unpaid fees and expenses of the Issuer, the Trustee and the Tender Agent, and third to the Borrower.

Available Moneys on deposit in the Available Moneys Account to be applied to the payment of the Bonds at maturity shall be transferred as described in the first paragraph of this section. Available Moneys on deposit in the Available Moneys Account, to be applied to the purchase of Bonds pursuant to the Indenture, shall be transferred to the Purchase Fund on the Tender Date to the extent necessary to pay the Tender Price of the Bonds as the same shall become due and payable on such Tender Date. Any moneys remaining in the Available Moneys Account following the redemption or purchase of Bonds with respect to which such deposit was made shall first be applied to pay the Credit Facility Provider any amounts due and payable under the Credit Facility Agreement and then to pay the accrued and unpaid fees and expenses of the Issuer, the Trustee and the Tender Agent.

Debt Service Fund. The Trustee shall deposit into the Interest Account the amounts required by the Indenture. Moneys on deposit in the Interest Account shall be applied solely to pay the interest on the Bonds as the same becomes due and payable. On each date fixed for redemption of the Bonds and on each scheduled Interest Payment Date on the Bonds, the Trustee shall remit to the respective Bondowners of such Bonds an amount from the Interest Account sufficient to pay the interest on the Bonds becoming due and payable on such date.

The Trustee shall deposit into the Principal Account the amounts required by the Indenture. Moneys on deposit in the Principal Account shall be applied solely to pay the principal of the Bonds as the same becomes due and payable at maturity. On each Principal Payment Date of the Bonds, the Trustee shall set aside and hold in trust an amount from the Principal Account sufficient to pay the principal of the Bonds becoming due and payable on such date.

The Trustee shall deposit into the Redemption Account the amounts required by the Indenture. Moneys on deposit in the Redemption Account shall be applied solely to pay the principal and premium, if any, on the Bonds as the same become due and payable by redemption. On each date fixed for such redemption, the Trustee shall set aside and hold in trust an amount from the Redemption Account sufficient to pay the principal of and premium, if any, on the Bonds becoming due and payable on such date.

The principal of and premium, if any, and interest on the Bonds shall be paid solely from the following sources in the order of priority listed:

(1) proceeds of a payment under the Credit Facility (except for premium, if any);

(2) Available Moneys from any other source; and

(3) moneys from any other source.

Principal Reserve Fund. The Trustee will deposit the Principal Reserve Payments into the Principal Reserve Fund promptly upon receipt from the Borrower. Any interest earned on or profits realized from amounts on deposit in the Principal Reserve Fund shall be deposited into the Principal Reserve Fund and, provided that the Trustee has not received notice from the Credit Facility Provider of a deficiency in the Principal Reserve Fund, and the Trustee has not received notice that a default exists under any of the Bond Documents, shall be paid to the Borrower on the Interest Payment Date next succeeding receipt of such interest or profits by the Trustee. In addition, Remarketing Proceeds relating to Pledged Bonds shall be deposited into the Principal Reserve Fund, to be applied to reimburse the Credit Facility Provider in an amount equal to the amount of any advance paid by the Credit Facility Provider to the Trustee to purchase the Bonds that became the remarketed Pledged Bonds.

At the written direction of the Credit Facility Provider, amounts on deposit in the Principal Reserve Fund shall be used by the Trustee to pay any amounts required to be paid by the Borrower under any Bond Document, to pay any amounts owed to the Credit Facility Provider in connection with any loan made or purchased by the Credit Facility Provider and secured by the Project, or to pay any other amount agreed to in writing by the Borrower and the Credit Facility Provider; provided that the amounts on deposit in the Principal Reserve Fund shall, upon the occurrence of an event of default under any Bond Document, be used in any manner and for any purpose specified in writing by the Credit Facility Provider.

Upon the Credit Facility Provider's payment to the Trustee under the Credit Facility pursuant to a request described in clauses (1), (2) and (3) under the heading "–Draw Procedures with Respect to Credit Facility" below, the Trustee, at the written request of the Credit Facility Provider, shall transfer from the Principal Reserve Fund to the Credit Facility Provider the amount of interest on the Bonds paid under the Credit Facility plus any additional amount as the Trustee is directed in writing by the Credit Facility Provider, up to the amount of the payment made under the Credit Facility, as a reimbursement to the Credit Facility Provider of the payment made under the Credit Facility.

At the request of the Borrower, the Credit Facility Provider, in its sole and absolute discretion, may (i) consent to the release of all or a portion of the amounts on deposit in the Principal Reserve Fund to the Borrower (in which case the Trustee shall release such amounts to the Borrower, provided that if, in the judgment of the Rebate Analyst (as defined in the Tax Agreement), the amount on deposit in the Rebate Fund at such time is less than the amount of arbitrage rebate required under the Indenture to be paid to the United States of America, then prior to any such release to the Borrower, any amounts on deposit in the Principal Reserve Fund (up to the amount of such deficiency) shall be transferred to the Rebate Fund), or (ii) reduce or no longer require deposits to the Principal Reserve Fund.

Any amounts remaining in the Principal Reserve Fund after payment in full of the principal of and interest on the Bonds shall be applied as provided in the Indenture.

Rebate Fund. There shall be deposited by the Borrower in the Rebate Fund such amounts as are required to be deposited therein pursuant to the Tax Agreement. Subject to the payment provisions described in the paragraph below, all amounts on deposit at any time in the Rebate Fund shall be held by the Trustee in trust, to the extent required to pay arbitrage rebate to the United States of America, and none of the Borrower, the Issuer, the Credit Facility Provider nor the Owner of any Bonds shall have any rights in or claim to such money. All amounts held in the Rebate Fund shall be governed by the Indenture and by the Tax Agreement (which is incorporated in the Indenture by reference).

Pursuant to the Tax Agreement, the Trustee shall remit all rebate installments and a final rebate payment to the United States of America. The Trustee shall have no obligation to pay any amounts required to be rebated pursuant to the Indenture and the Tax Agreement, other than from moneys held in the Funds and Accounts created under the Indenture or from other moneys provided to it by the Borrower or, at the discretion of the Credit Facility Provider, by the Credit Facility Provider.

Notwithstanding any other provision of the Indenture, including in particular the provisions with respect to the satisfaction and discharge of the Indenture, the obligation to pay arbitrage rebate to the United States of America and to comply with all other requirements of the Indenture with respect to arbitrage rebate and the Tax Agreement shall survive the defeasance or payment in full of the Bonds.

Funds Held in Trust; Application. All moneys deposited with or paid to the Trustee for the account of any Fund or Account under any provision of the Indenture, and all moneys deposited with or paid to any Paying Agent under any provision of the Indenture shall be held by the Trustee or Paying Agent in trust and shall be applied only in accordance with the provisions of the Indenture and, until used or applied as therein provided, shall constitute part of the Trust Estate (except for the Principal Reserve Fund, the Purchase Fund, the Rebate Fund and arbitrage rebate not deposited therein) and be subject to the lien, terms and provisions of the Indenture and shall not be commingled with any other funds of the Issuer, the Credit Facility Provider or the Borrower except for investment purposes as provided below under the caption "Investment of Moneys." Neither the Trustee nor any Paying Agent shall be under any liability for interest on any moneys received under the Indenture except as may be agreed upon.

Draw Procedures with Respect to Credit Facility

The Indenture directs the Trustee to draw moneys under the Credit Facility, in accordance with the terms thereof and as further provided in the draw procedures set forth in an exhibit to the Indenture or any substitute therefor as described in the last paragraph in this section, in the amounts and at such time as may be necessary to make timely payments of the principal of and interest, but not premium, on the Bonds required to be made from the Debt Service Fund. In accordance with the preceding sentences, during the period that the Bonds are secured by the Credit Facility, the Trustee shall request payments under the Credit Facility by presenting a conforming request to the Credit Facility Provider prior to the Interest Payment Date, Principal Payment Date or redemption or purchase date referenced in subsections (1), (2), (3) and (6) below, and on or prior to the Tender Date referenced in subsections (4) and (5) below, in order for moneys to be received in the amounts and at the times as follows:

(1) no later than 3:30 p.m., New York Time, on each Interest Payment Date, an amount equal to interest due on the Bonds on such Interest Payment Date;

(2) no later than 3:30 p.m., New York Time, on each Principal Payment Date, an amount equal to the full principal amount of the Bonds coming due on such Principal Payment Date;

(3) no later than 3:30 p.m., New York Time, on each Principal Payment Date on which the Bonds are being redeemed, in an amount which will be equal to the full principal amount plus accrued interest on the Bonds to be redeemed (other than the amount owing as a redemption premium, if any);

(4) no later than 3:30 p.m., New York Time, on the Tender Date for any Bonds in accordance with the optional tender provisions of the Indenture, in an amount which, when added to Remarketing Proceeds on deposit with the Tender Agent, is equal to the Tender Price of Bonds for which Notices of Election to Tender Bonds have been timely received;

(5) no later than 3:30 p.m., New York Time, on the Tender Date for any Bonds in accordance with the mandatory tender provisions of the Indenture, in an amount which, when added to Remarketing Proceeds on deposit with the Tender Agent, is equal to the Tender Price of all of the Bonds required to be tendered on the Tender Date; and

(6) no later than 3:30 p.m., New York Time, on each date fixed for the purchase of Bonds in lieu of redemption, in an amount which will be equal to the full principal amount plus accrued interest on the Bonds to be purchased in lieu of redemption (other than the amount owing as a redemption premium, if any).

Notwithstanding the above provisions, pursuant to the Indenture, the Trustee shall promptly demand payment under the Credit Facility upon any acceleration of the maturity of the Bonds, or upon any direction by the Credit Facility Provider to the Trustee to purchase the Bonds for the Credit Facility Provider's own account (as described herein under the caption "THE INDENTURE–Mandatory Purchase").

If the amount of interest is not determinable at the time of presentation of a request to the Credit Facility Provider, the Trustee shall calculate such interest at the Maximum Rate.

The Credit Facility Provider's obligation under the Credit Facility will be reduced from time to time if the outstanding principal amount of Bonds is reduced and to the extent of the principal amount of Pledged Bonds which have not been remarketed.

The Borrower is permitted under the Financing Agreement to deliver an Alternate Credit Facility to replace the outstanding Credit Facility. The Borrower must also meet certain requirements described herein under the caption "SECURITY FOR THE BONDS–Alternate Credit Facility."

Prior to the delivery of an Alternate Credit Facility, the Trustee shall receive a revised exhibit to the Indenture establishing the draw procedures for the Alternate Credit Facility in form satisfactory to the Trustee and approved in writing by the Credit Facility Provider (which is the provider of the Alternate Credit Facility) and the Rating Agency (if the Bonds are to be rated by the Rating Agency on the Alternate Credit Facility Date, which approval may be evidenced by the credit rating with respect to the Bonds as of the Alternate Credit Facility Date). Such revised exhibit shall not constitute an amendment, supplement or modification to the Indenture for the purposes of the provisions of the Indenture applicable to Supplemental Indentures and therefore does not require the approval by the Issuer or the consent of the Bondowners. Such exhibit shall be binding upon the Trustee and the Credit Facility Provider (which is the provider of the Alternate Credit Facility) from and after the Alternate Credit Facility Date.

Demand for payment of the Tender Price of Tendered Bonds on an Alternate Credit Facility Date shall be made on the Credit Facility then in effect, not the Alternate Credit Facility that is to be effective as

of the Alternate Credit Facility Date. The Trustee will promptly surrender the Credit Facility being replaced only after receipt of the payment under the Credit Facility on the Alternate Credit Facility Date and the satisfaction of the requirements for the delivery of the Alternate Credit Facility. See "SECURITY FOR THE BONDS–Alternate Credit Facility."

Investment of Moneys

Moneys in all Funds and Accounts (except the Purchase Fund and the Credit Facility Account that will be held uninvested) shall be continuously invested and reinvested by the Trustee at the written direction of the Borrower, with the written consent of the Credit Facility Provider. All moneys obtained through a payment under the Credit Facility will remain uninvested. Moneys on deposit in all Funds and Accounts may be invested only in Investment Securities; provided that

(1) Available Moneys (other than payments under the Credit Facility) to be applied to the payment of the Bonds at maturity or upon redemption or purchase shall be invested and reinvested by the Trustee, at the written direction of the Borrower, with the written consent of the Credit Facility Provider, only in Government Securities maturing on the earlier of 30 days after the date on which such obligations are acquired or such time or times as said money shall be needed for the purposes for which they were deposited; and

(2) except as provided in (1) above, (i) amounts on deposit in the Debt Service Fund shall be invested only in, and (ii) if written investment directions have not been received from the Borrower, the Trustee is authorized to invest amounts in any other Fund, only in Investment Securities as described in subsection (k) of the definition of Investment Securities in the discretion of the Trustee. The Trustee is specifically authorized to implement its automated cash investment system to assure that cash on hand is invested and to charge its normal cash management fees, which fees may be deducted from income earned on investments.

The Trustee must receive written directions of the Borrower to invest pursuant to the Indenture by 12:00 noon, New York Time. All investments shall mature not later, nor, to the extent reasonably practicable subject to the restrictions above, earlier, than the date such moneys or investment proceeds are required for the purposes of the respective Funds and Accounts.

Net investment earnings on each Fund and Account shall be credited to such Fund and Account except as set forth in this subsection.

All investments shall constitute a part of the Fund or Account from which the moneys used to acquire such investments have come except as set forth in this subsection. The Trustee shall sell and reduce to cash a sufficient amount of investments in a Fund or Account whenever the cash balance therein is insufficient to pay the amounts required to be paid therefrom. The Trustee may transfer investments from any Fund or Account to any other Fund or Account in lieu of cash when required or permitted by the provisions of the Indenture.

The Trustee may make any investment through its bond department or short-term investment department or through any affiliate of the Trustee. In making or disposing of any investment permitted under the Indenture, the Trustee is authorized to deal with itself (in its individual capacity) or with one or more of its affiliates, whether it or the affiliate is acting as an agent of the Trustee or for any third person or dealing as principal for its own account. The Trustee is specifically authorized to implement its automated cash investment system to assure that cash on hand is invested and to charge its normal cash management fees, which may be deducted from income earned on investments.

Events of Default

Each of the following constitutes an Event of Default under the Indenture:

(a) default in the due and punctual payment of any interest on any Bond;

(b) default in the due and punctual payment of the principal of or redemption premium, if any, on any Bond, whether at the stated maturity or accelerated maturity thereof, or upon proceedings for redemption thereof or otherwise;

(c) default in the payment of the Tender Price of any Tendered Bond; or

(d) the occurrence of either or both of the following:

(i) if the interest component of the Credit Facility is not subject to automatic reinstatement, the Trustee has received written notice from the Credit Facility Provider, within the period provided for in the Credit Facility, that the Credit Facility Provider will not reinstate the interest portion of the Credit Facility; or

(ii) the Trustee's receipt of written notice from the Credit Facility Provider that an "Event of Default" has occurred under the Credit Facility Agreement together with a direction from the Credit Facility Provider to the Trustee requiring either (A) the acceleration of the Bonds pursuant to the provisions of the Indenture or (B) the mandatory purchase of the Bonds pursuant to the Indenture.

(e) the occurrence of an "Event of Default" under the Financing Agreement and declaration of acceleration of the Loan Payments as provided in the Financing Agreement; or

(f) the Trustee's receipt of written notice from the Issuer or the Borrower of termination of the Base Lease or Sublease.

The Trustee shall give Immediate Notice of any Event of Default to the Issuer, the Borrower and the Credit Facility Provider as promptly as practicable after the occurrence of an Event of Default of which the Trustee has knowledge or is deemed to have knowledge as provided in the Indenture.

Acceleration

If an Event of Default described in paragraphs (a), (b), (c), (d)(i) or (f) of the subsection herein captioned "–Events of Default" has occurred and is continuing, the Trustee shall immediately, by notice in writing delivered to the Issuer, the Borrower and the Credit Facility Provider, declare the principal of all or part of the Bonds then Outstanding and the interest accrued thereon immediately due and payable. **The Bonds shall cease to bear interest immediately upon the Trustee's declaration.** The principal and interest shall thereupon become due and payable on a date established by the Trustee, which date shall not be more than ten calendar days after such acceleration.

If an Event of Default described in subparagraph (d)(ii) or (e) of the subsection herein captioned "–Events of Default" has occurred and is continuing, the Trustee shall, by notice in writing delivered to the Issuer, the Borrower and the Credit Facility Provider, declare the principal of all or part of the Bonds then Outstanding and the interest accrued thereon due and payable on the date established by the Trustee, which

date shall be a Business Day that is at least three and no more than ten calendar days after receipt by the Trustee of notice of an Event of Default described in subparagraph (d)(ii) or (e) of the subsection herein captioned "Events of Default." **The Bonds shall cease to bear interest immediately upon the Trustee's declaration**; subject, however, to the provisions regarding rescission of the declaration of acceleration described below.

Upon any acceleration of the maturity of the Bonds under the Indenture, the Trustee shall promptly demand payment under the Credit Facility in accordance with the Indenture to the extent permitted by the terms thereof and pursue the remedies of the Trustee thereunder.

If, at any time after such declaration, but before the Bonds shall have matured by their terms, all overdue installments of principal of and interest on the Bonds, together with the reasonable and proper expenses of the Issuer and the Trustee, and all other sums then payable by the Issuer under the Indenture shall either be paid or provision satisfactory to the Trustee shall be made for such payment, then and in every such case the Trustee shall, but only with the approval of the Credit Facility Provider and the Owners of not less than a majority in aggregate principal amount of the Bonds Outstanding, and upon the reinstatement of the Credit Facility and written rescission of the notice from the Credit Facility Provider, rescind such declaration and annul such default in its entirety. In such event, the Trustee shall rescind any declaration of acceleration of the Loan as provided in the Financing Agreement.

In case of any rescission, then and in every such case the Issuer, the Trustee and the Bondowners shall be restored to their former position and rights thereunder respectively, but no such rescission shall extend to any subsequent or other default or Event of Default or impair any right consequent thereon.

Mandatory Purchase

Upon the occurrence of an Event of Default under subparagraph (d)(ii) of the subsection above captioned "–Events of Default," the Credit Facility Provider in its notice to the Trustee may direct the Trustee to purchase the Bonds for the Credit Facility Provider's own account, rather than to accelerate the Bonds as provided in the Indenture. In such case, the Trustee shall draw upon the Credit Facility in accordance with the provisions of the Indenture to pay the purchase price for the Bonds, which shall be an amount equal to the principal of all Outstanding Bonds and accrued interest thereon to the Mandatory Purchase Date, and upon receipt of the proceeds of such draw, shall immediately purchase the Bonds in accordance with the provisions of the Indenture. The Bonds so purchased by the Credit Facility Provider shall remain Outstanding under the Indenture.

Exercise of Remedies by the Trustee

If an Event of Default has occurred and is continuing, the Trustee may, with the approval of the Credit Facility Provider if the Credit Facility Provider has not failed to honor a proper draw under the Credit Facility, pursue any available remedy at law or equity by suit, action, mandamus or other proceeding to enforce the payment of the principal of and redemption premium, if any, and interest on the Bonds then Outstanding, and to enforce and compel the performance of the duties and obligations of the Issuer as set forth in the Indenture.

If an Event of Default has occurred and is continuing, and if requested so to do by the Credit Facility Provider or by the Owners of not less than 25% in aggregate principal amount of the Bonds then Outstanding and indemnified as provided in the Indenture, with the approval of the Credit Facility Provider if the Credit Facility Provider has not failed to honor a proper draw under the Credit Facility, the Trustee

shall be obligated to exercise such one or more of the rights and powers conferred by the Indenture as the Trustee, being advised by counsel, shall deem most expedient in the interests of the Bondowners.

All rights of action under the Indenture or under any of the Bonds may be enforced by the Trustee without the possession of any of the Bonds or the production thereof in any trial or other proceedings relating thereto, and any such suit or proceeding instituted by the Trustee shall be brought in its name as Trustee without the necessity of joining as plaintiffs or defendants any Bondowner, and any recovery or judgment shall, subject to the provisions of the Indenture, be for the equal benefit of all the Owners of the Outstanding Bonds.

Limitation on Exercise of Remedies by Bondowners

No Bondowner shall have any right to institute any suit, action or proceeding in equity or at law for the enforcement of the Indenture or for the execution of any trust under the Indenture or for the appointment of a receiver or any other remedy under the Indenture, unless:

(i) a default has occurred of which the Trustee has notice or is deemed to have notice as provided in the Indenture, and

(ii) such default shall have become an Event of Default, and

(iii) the Owners of not less than 25% in aggregate principal amount of the Bonds then Outstanding shall have made written request to the Trustee, shall have offered it reasonable opportunity either to proceed to exercise the powers granted in the Indenture or to institute such action, suit or proceeding in its own name, and shall have provided to the Trustee indemnity as provided in the Indenture, and

(iv) the Trustee shall thereafter fail or refuse to exercise the powers granted in the Indenture or to institute such action, suit or proceeding in its own name, and

(v) the Credit Facility Provider shall have consented thereto if the Credit Facility Provider has not failed to honor a proper draw under the Credit Facility;

and such notification, request and indemnity are declared in every case, at the option of the Trustee (with the exception of any duty to make demand on, and proceed under, the Credit Facility, cause an acceleration of the Bonds or make payments when due), to be conditions precedent to the execution of the powers and trusts of the Indenture, and to any action or cause of action for the enforcement of the Indenture, or for the appointment of a receiver or for any other remedy under the Indenture, it being understood and intended that no one or more Bondowners shall have any right in any manner whatsoever to affect, disturb or prejudice the Indenture by its, his or their action or to enforce any right thereunder except in the manner provided in the Indenture, and that all proceedings at law or in equity shall be instituted, had and maintained in the manner provided in the Indenture and for the equal benefit of the Owners of all Bonds then Outstanding. Nothing in the Indenture, however, shall affect or impair the right of any Bondowner to payment of the principal of, redemption premium, if any, and interest on any Bond at and after its maturity or the obligation of the Issuer to pay the principal of, redemption premium, if any, and interest on the Bonds to the respective Owners thereof at the time, place, from the source and in the manner provided in the Indenture and in such Bond expressed.

Right of Bondowners to Direct Proceedings

Any other provision in the Indenture to the contrary notwithstanding, the Owners of a majority in aggregate principal amount of the Bonds then Outstanding shall have the right, at any time, but only with the approval of the Credit Facility Provider if the Credit Facility Provider has not failed to honor a proper draw under the Credit Facility, by an instrument or instruments in writing executed and delivered to the Trustee, to direct the time, method and place of conducting all proceedings to be taken in connection with the enforcement of the Indenture, or for the appointment of a receiver or any other proceedings thereunder; provided that the Trustee shall have been provided indemnity satisfactory to it and provided that such direction shall not be otherwise than in accordance with the provisions of law and of the Indenture, and provided, further, that the Trustee shall have the right to decline to follow any such direction if the Trustee in good faith shall determine that the proceeding so directed would involve it in personal liability.

Waivers of Events of Default

The Trustee shall waive any Event of Default and its consequences and rescind any declaration of maturity of principal upon the written request of the Owners of a majority in aggregate principal amount of the Bonds then Outstanding; provided that there shall not be waived without the written consent of the Owners of all the Bonds Outstanding (a) any Event of Default in the payment of the principal of any Outstanding Bonds at their maturity, upon their redemption (including as a result of acceleration) or tender thereof, (b) any Event of Default resulting from non–reinstatement of the interest portion of the Credit Facility within the period provided for in the Credit Facility unless the Credit Facility Provider has given written notice to the Trustee that the Credit Facility has been reinstated in full, or (c) any Event of Default in the payment when due of the interest on any such Bonds, unless, prior to such waiver or rescission, all arrears of interest, with interest (to the extent permitted by law) at the rate borne by the Bonds on overdue installments of interest in respect of which such default shall have occurred, or all arrears of payments of principal when due, as the case may be, and all expenses of the Issuer and the Trustee in connection with such Event of Default shall have been paid in full. However, there shall not be waived without the prior written consent of the Credit Facility Provider an Event of Default under the Indenture described in clause (d)(ii) under the caption "–Events of Default" above and written rescission of the notice from the Credit Facility Provider under clause (d)(ii) and confirming that the full stated amount of the Credit Facility is available; (ii) no Event of Default shall be waived without the prior written consent of the Credit Facility Provider if it has honored all of its obligations under the Credit Facility; and (iii) no Default involving the nonpayment of the fees, charges or expenses of the Trustee shall be waived without the written consent of the Trustee. In case of any such waiver or rescission, or in case any proceeding taken by the Trustee on account of any such Event of Default shall have been discontinued or abandoned or determined adversely, then and in every such case the Issuer, the Borrower, the Trustee, the Bondowners and the Credit Facility Provider shall be restored to their former positions, rights and obligations under the Indenture, respectively, but no such waiver or rescission shall extend to any subsequent or other default, or impair any right consequent thereon.

Application of Moneys in Event of Default

Upon an Event of Default all moneys held or received by the Trustee pursuant to the Indenture, the Financing Agreement, or the Credit Facility or pursuant to any right given or action taken under the Indenture shall, after payment of the reasonable fees, costs and expenses of the Trustee and of the proceedings resulting in the collection of such moneys, be deposited in the Debt Service Fund (provided, however, only Available Moneys, including moneys received under the Credit Facility, shall be used, until Bonds are no longer Outstanding, only for the payment of principal or interest on the Bonds) and all moneys so deposited in the Debt Service Fund shall be applied as follows:

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

First -- to the payment to the persons entitled thereto, all installments of interest then due and payable on the Bonds, other than the Borrower Bonds, in the order in which such installments of interest became due and payable, with interest thereon at the rate or rates specified in the respective Bonds to the extent permitted by law, and, if the amount available shall not be sufficient to pay in full any particular installment, then to the payment ratably, according to the amounts due on such installment, to the persons entitled thereto, without any discrimination or privilege;

Second -- to the payment to the persons entitled thereto, the unpaid principal of and redemption premium, if any, on any of the Bonds, other than the Borrower Bonds, that shall have become due and payable (other than Bonds called for redemption for the payment of which moneys or securities are held pursuant to the Indenture), in the order of their due date, with interest on such principal and redemption premium, if any, at the rate or rates specified in the respective Bonds from the respective dates upon which they became due and payable, and, if the amount available shall not be sufficient to pay in full such principal and redemption premium, if any, due on any particular date, together with such interest, then to the payment ratably, according to the amounts of principal and redemption premium, if any, due on such date, to the persons entitled thereto without any discrimination or privilege;

Third -- to the payment to the Credit Facility Provider, the unpaid principal and interest due on the Pledged Bonds;

Fourth -- to the payment of the reasonable fees, expenses, liabilities and advances incurred or made by the Issuer or the Trustee;

Fifth -- to the Credit Facility Provider any amounts due and owing under the Credit Documents as evidenced by a written certificate of the Credit Facility Provider;

Sixth -- to pay the principal of and interest on the Borrower Bonds; and

Seventh -- to the Borrower.

If the principal of all the Bonds shall have become due or shall have been declared due and payable, all such moneys shall be applied to the payment of the principal, redemption premium, if any, and interest then due and unpaid on all of the Bonds, with interest on such principal and redemption premium, if any, and, to the extent permitted by law, on such interest, at the rate or rates specified in the respective Bonds, without preference or priority of principal, redemption premium or interest over principal, redemption premium or interest or of any installment of interest over any other installment of interest or of any Bond over any other Bond, ratably, according to the amounts due respectively for principal, redemption premium, if any, and interest, to the persons entitled thereto, without any discrimination or privilege; except that principal of and interest on Pledged Bonds shall only be paid after Bonds other than Borrower Bonds have been paid and Borrower Bonds other than Pledged Bonds shall only be paid after the amounts due the Credit Facility Provider under the Credit Documents, as evidenced by a written certificate of the Credit Facility Provider, shall have been paid in full.

If the principal of all the Bonds shall have been declared due and payable, and if such declaration shall thereafter have been rescinded and annulled under the Indenture then, subject to the preceding

paragraph, if the principal of all the Bonds shall later become due or be declared due and payable, the moneys shall be applied in accordance with the second paragraph under this heading.

Whenever moneys are to be applied pursuant to the Indenture, such moneys shall be applied at such times and from time to time as the Trustee shall determine, having due regard to the amount of such moneys available and which may become available for such application in the future. No moneys in the Credit Facility Account will be applied to the payment of redemption premium on the Bonds or for the payment of the principal of or interest on Borrower Bonds.

Whenever all of the Bonds and interest thereon have been paid pursuant to the terms of the Indenture and all expenses and charges of the Issuer and the Trustee have been paid and all arbitrage rebate owing has been paid, any balance remaining in the Funds shall be paid first, to the Credit Facility Provider as provided in the Indenture and second, to the Borrower as provided in the Indenture.

Supplemental Indentures Not Requiring Consent of Bondowners

The Issuer and the Trustee may from time to time, with the prior written consent of the Credit Facility Provider and, if required pursuant to the Indenture, the Borrower, but without the consent of or notice to any of the Bondowners, enter into the Supplemental Indenture or Supplemental Indentures as shall not be inconsistent with the terms and provisions of the Indenture, so long as the Supplemental Indenture does not cause the then-current rating on the Bonds, if any, to be lowered, for any one or more of the following purposes:

(a) to cure any ambiguity, formal defect or omission in the Indenture;

(b) to grant to or confer upon the Trustee for the benefit of the Bondowners any additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon the Bondowners or the Trustee or either of them;

(c) to subject to the Indenture additional revenues, properties or collateral;

(d) to modify, amend or supplement the Indenture or any indenture supplemental thereto in such manner as to permit the qualification of the Indenture under the Trust Indenture Act of 1939, as then amended, or any similar federal statute hereafter in effect or to permit the qualification of the Bonds for sale under the securities laws of any state of the United States of America;

(e) to evidence the appointment of a co-trustee or successor Trustee;

(f) to make any other change which will become effective on a date on which the Bonds are subject to mandatory tender;

(g) to make any other change which, in the sole judgment of the Trustee, does not materially adversely affect the interests of the Bondowners. In exercising such judgment the Trustee may rely on an Opinion of Counsel;

(h) to make any change which, in the Opinion of Bond Counsel, is necessary to obtain an initial rating on the Bonds from a Rating Agency or to maintain in effect any existing rating from a Rating Agency;

(i) to more precisely identify the Project or to substitute or add additional property thereto;

(j) to conform the Indenture to the Code or other or future applicable federal law concerning tax-exempt obligations; and

(k) to modify, amend or supplement the Indenture in any other respect, including in any manner which would otherwise be described below under the caption "–Supplemental Indentures Requiring Consent of Bondowners" if (1) notice of the proposed Supplemental Indenture is given to the Bondowners (in the same manner as notices of redemption are to be given) at least 30 days before the effective date of the Supplemental Indenture and (2) the Bondowners have the right to demand purchase of their Bonds pursuant to the optional tender provisions of the Indenture prior to the effective date of the Supplemental Indenture.

Supplemental Indentures Requiring Consent of Bondowners

Exclusive of Supplemental Indentures covered by the subsection captioned "Supplemental Indentures Not Requiring Consent of Bondowners" and subject to the terms and provisions described in this section, and not otherwise, the Owners of not less than a majority in aggregate principal amount of the Bonds Outstanding shall have the right from time to time, with the prior written consent of the Credit Facility Provider and, if required pursuant to the Indenture, the Borrower, anything contained in the Indenture to the contrary notwithstanding, to consent to and approve the execution by the Issuer and the Trustee of any Supplemental Indenture or Supplemental Indentures as shall be deemed necessary and desirable by the Issuer for the purpose of modifying, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in the Indenture or in any Supplemental Indenture; provided, however, that nothing shall permit or be construed as permitting without the consent of the Owners of 100% of the Bonds Outstanding, the Issuer, the Trustee and the Credit Facility Provider, (a) an extension of the maturity of the principal of or the scheduled date of payment of interest on any Bond issued under the Indenture, or (b) a reduction in the principal amount, redemption premium or any interest payable on any Bond, or (c) a privilege or priority of any Bond or Bonds over any other Bond or Bonds, or (d) a reduction in the aggregate principal amount of Bonds the Owners of which are required for consent to any such Supplemental Indenture, or (e) any modification of the redemption or tender features of the Bonds or (f) any change which results in the lowering of the then-current rating on the Bonds, if any.

If at any time the Issuer shall request the Trustee to enter into any such Supplemental Indenture for any of the purposes described above and if the Trustee is provided with sufficient indemnity for its expenses, the Trustee shall cause notice of the proposed execution of such Supplemental Indenture to be mailed to the Issuer, each Bondowner and the Credit Facility Provider (and a copy of such proposed Supplemental Indenture shall be mailed with such notice to the Credit Facility Provider). Such notice shall briefly set forth the nature of the proposed Supplemental Indenture and shall state that copies thereof are on file at the Administrative Office of the Trustee for inspection by all Bondowners. If within 60 days or such longer period as shall be prescribed by the Issuer following the mailing of such notice, the Owners of not less than a majority in aggregate principal amount of the Bonds Outstanding at the time of the execution of any such Supplemental Indenture shall have consented to and approved the execution thereof as provided in the Indenture, no Owner of any Bond of the affected Series shall have any right to object to any of the terms and provisions contained therein, or the operation thereof, or in any manner to question the propriety of the execution thereof, or to enjoin or restrain the Trustee or the Issuer from executing the same or from taking any action pursuant to the provisions thereof. Upon the execution of any such Supplemental Indenture as

permitted and provided by the Indenture, the Indenture shall be and be deemed to be modified and amended in accordance therewith.

Amendments to Other Documents

Amendments, Changes or Modifications to the Bond Documents and Credit Facility Not Requiring, Consent of Bondowners. So long as any amendment, change or modification does not cause the then-current rating on the Bonds, if any, to be lowered, the Trustee and the Issuer (if the Issuer is a party to the Bond Document), with the prior written consent of the Credit Facility Provider, may, without the consent of or notice to the Bondowners, consent to any amendment, change or modification of the Bond Documents (other than the Indenture which is governed by certain provisions of the Indenture) and the Credit Facility, as may be required:

(i) by the provisions of such documents and the Indenture;

(ii) for the purpose of curing any ambiguity or formal defect or omission in such documents;

(iii) so as to more precisely identify the Project or substitute or add additional property thereto;

(iv) to conform the Bond Documents or the Credit Facility to the Code or other or future applicable Federal law concerning tax-exempt obligations;

(v) in connection with any other change therein which, in the sole judgment of the Trustee, does not materially adversely affect the interests of the Bondowners (in exercising such judgment, the Trustee may rely on an Opinion of Counsel);

(vi) to make any other change which will become effective on a date on which the Bonds are subject to mandatory tender; or

(vii) to modify, amend or supplement the Bond Documents or the Credit Facility in any other respect, including in any manner which would otherwise be described below under the caption "–Amendments, Changes or Modifications to the Bond Documents and Credit Facility Requiring Consent of Bondowners" if (1) notice of the proposed modification, amendment or supplement is given to the Bondowners (in the same manner as notices of redemption are to be given) at least 30 days before the effective date of the change to the Bond Document or the Credit Facility and (2) the Bondowners have the right to demand purchase of their Bonds prior to the effective date of the change to the Bond Document or the Credit Facility.

Amendments, Changes or Modifications to the Bond Documents and Credit Facility Requiring Consent of Bondowners. Except as provided for in the preceding subsection, the Trustee and the Issuer (if the Issuer is a party to the Bond Document) shall not consent to any amendment, change or modification of the Bond Documents (other than the Indenture which is governed by certain provisions of the Indenture) or the Credit Facility without the mailing of notice and the obtaining of the written consent of the Credit Facility Provider and the Owners of not less than a majority in aggregate principal amount of the Bonds Outstanding given and obtained as provided in connection with a Supplemental Indenture which requires the consent of Bondowners; provided, however, that no such amendment, change or modification to such documents shall be entered into without the consent of the Owners of 100% in aggregate principal amount

of the Bonds Outstanding, the Issuer, the Trustee and the Credit Facility Provider, which permits, or results in, (a) any change in the timing of payments under or the amounts required to be paid under the Credit Facility, or (b) any other change resulting in the reduction, downgrade or qualification of the then-current credit rating on the Bonds (other than in connection with the delivery of an Alternate Credit Facility under the Indenture). If at any time the Issuer, the Credit Facility Provider and the Borrower shall request the consent of the Trustee to any such proposed amendment, change or modification to such documents, the Trustee shall cause notice of such proposed amendment, change or modification to such documents to be given in the same manner as provided with respect to Supplemental Indentures requiring the consent of Bondowners. Such notice shall briefly set forth the nature of such proposed amendment, change or modification to such documents and shall state that copies of the same are on file at the Administrative Office of the Trustee for inspection by all Bondowners and a copy of such proposed amendment, change or modification to such document shall be mailed with such notice to the Issuer and the Credit Facility Provider.

Satisfaction and Discharge of the Indenture

If the Issuer shall pay the principal of, redemption premium, if any, and interest on all of the Bonds Outstanding in accordance with their terms, or shall provide for such payment as provided in the Indenture (see "–Defeasance" below), and if the Issuer shall also pay or cause to be paid all other sums payable under the Indenture by the Issuer, then and in that case the Indenture and the estate and tights granted under the Indenture shall cease, terminate and become null and void, and thereupon the Trustee shall, upon Written Request of the Issuer, and an Opinion of Counsel, each stating that in the opinion of the signers all conditions precedent to the satisfaction and discharge of the Indenture have been complied with, forthwith execute proper instruments as may be reasonably requested by the Issuer acknowledging satisfaction of and discharging the Indenture and the lien thereof; provided that, with respect to Bonds for which payment has been provided at the time but which has not in fact been paid, the liability of the Issuer in respect of such Bonds shall continue provided that the Owners thereof shall thereafter be entitled to payment only out of the moneys or Government Securities deposited with the Trustee as provided in the Indenture. The satisfaction and discharge of the Indenture shall be without prejudice to the rights of the Trustee to charge and be reimbursed by the Issuer and the Borrower for any expenditures which it may thereafter incur in connection therewith.

Notwithstanding the release and discharge of the lien of the Indenture as provided above, those provisions of the Indenture relating to the maturity of the Bonds, interest payments and dates thereof, tender and purchase provisions, exchange and transfer of Bonds, replacement of mutilated, destroyed, lost, stolen or Undelivered Bonds, the safekeeping and cancellation of Bonds, non-presentment of Bonds, the holding of moneys in trust, redemption of Bonds and the duties of the Trustee, the Bond Registrar, the Paying Agent and the Remarketing Agent in connection with all of the foregoing, remain in effect and shall be binding upon the Trustee and the Bondowners.

The Issuer is authorized under the Indenture to accept a certificate by the Trustee that the whole amount of the principal, redemption premium, if any, and interest so due and payable upon all of the Bonds then Outstanding has been paid or such payment provided for in accordance with the provisions of the Indenture as evidence of satisfaction of the Indenture, and upon receipt thereof shall cancel and erase the inscription of the Indenture from its records.

All moneys, funds, securities or other property remaining on deposit in all Funds or Accounts established under the Indenture (other than said moneys or Government Securities or other investments deposited in trust as above provided) shall, upon the full satisfaction of the Indenture, forthwith be

transferred, paid over and distributed to the Credit Facility Provider and the Borrower in the manner provided in the Indenture.

Defeasance

If (i)(A) the Trustee has received a written notice from each Rating Agency which has a current rating on the Bonds, that actions taken under this provision of the Indenture would not result in a reduction or withdrawal of the current Rating Agency rating on the Bonds or (B) if the Bonds are not then rated, the Trustee has received an unqualified Opinion of Counsel, expert on bankruptcy matters and acceptable to the Trustee, to the effect that payment to the Owners from moneys deposited under this Section would not be avoidable as preferential payments under Section 544, 547 or 550 of the United States Bankruptcy Code in the event of the filing of a petition thereunder by or against the Issuer or the Borrower, and (ii) the Issuer shall pay or provide for the payment (other than by the Credit Facility Provider) of any Outstanding Bond in any one or more of the following ways:

(a) by paying or causing to be paid, from Available Moneys, the principal of (including redemption premium, if any) and interest on such Bonds, as and when the same become due and payable;

(b) by (i) depositing with the Trustee, in trust and irrevocably setting aside exclusively for such payment, at or before maturity, Available Moneys in an amount sufficient to pay or redeem (when redeemable) Bonds (including the payment of redemption premium, if any, and interest payable on such Bonds to the maturity or redemption date thereof), provided that such moneys, if invested, shall be invested in Government Securities which are not subject to redemption and payment prior to maturity except at the option of the holder thereof ("Non-Callable Government Securities") in an amount and with maturities, without consideration of any income or increment to accrue thereon, sufficient to pay or redeem (when redeemable) and discharge the indebtedness on such Bonds at or before their respective maturity dates, to pay the interest thereon as it comes due, and (ii) delivery to the Issuer and the Trustee of an opinion of Bond Counsel to the effect that providing for the payment on the Bonds will not cause the interest on the Bonds to be included in gross income for federal income tax purposes;

(c) by delivering to the Trustee, for cancellation by it, such Bonds; or

(d) by (i) depositing with the Trustee, in trust, Non-Callable Government Securities acquired with Available Moneys in such amounts as are certified to the Trustee by a written report of an independent certified public accountant or such other person as is acceptable to the Trustee to be fully sufficient, together with other Available Moneys deposited therein and together with the income or increment to accrue thereon, without consideration of any reinvestment thereof, to pay or redeem (when redeemable) and discharge the indebtedness on such Bonds at or before their respective maturity dates, to pay the interest thereon as it comes due, and (ii) delivery to the Issuer and the Trustee of an opinion of Bond Counsel to the effect that providing for the payment on the Bonds will not cause the interest on the Bonds to be included in gross income for federal income tax purposes;

then such Bond or Bonds shall be deemed to be paid within the meaning of the Indenture and shall cease to be entitled to any lien, benefit or security under the Indenture, except for the purposes of any such payment from such moneys or Government Securities and except for the purposes of registration, transfer and exchange of such Bonds. If all the Bonds are not to be redeemed within 30 days, the Trustee shall mail, as soon as practicable, in the manner prescribed by the Indenture, a notice to the Owners of such Bonds that

the deposit required by (b) or (d) above has been made with the Trustee and that said Bonds are deemed to have been paid in accordance with the Indenture and stating the maturity or redemption date upon which moneys are to be available for the payment of the principal of or redemption price, if applicable, on said Bonds as specified in (b) or (d) above.

Notwithstanding the foregoing, in the case of Bonds which by their terms may be redeemed prior to the stated maturities thereof, no deposit under clauses (b) or (d) shall be deemed a payment of such Bonds as aforesaid until, as to all such Bonds which are to be redeemed prior to their respective stated maturities and as to Bonds subject to interest rate adjustment prior to maturity which shall be redeemed prior to the next Interest Adjustment Date, proper notice of such redemption shall have been given in accordance with the Indenture or irrevocable instructions shall have been given to the Trustee to give such notice at the time when such notice may be given pursuant to the provisions of the Indenture.

Notwithstanding any provisions of any other section of the Indenture which may be contrary to the provisions of the Indenture relating to defeasance, all Available Moneys or Non-Callable Government Securities set aside and held in trust pursuant to the provisions of the Indenture relating to defeasance for the payment of Bonds (including redemption premium thereon, if any, and interest) shall be applied to and used solely for the payment of the particular Bonds (including redemption premium thereon, if any, and interest) with respect to which such Available Moneys and Non-Callable Government Securities have been so set aside in trust.

The Issuer may at any time surrender to the Trustee for cancellation by it any Bond previously authenticated and delivered which the Issuer may have acquired in any manner whatsoever, and such Bonds, upon such surrender and cancellation, shall be deemed to be paid and retired.

THE FINANCING AGREEMENT

The following summarizes certain provisions of the Financing Agreement among the Issuer, the Trustee and the Borrower. Reference is made to the Financing Agreement for the detailed provisions thereof.

Term of Financing Agreement

The term of the Financing Agreement shall commence from and after its execution and delivery and shall continue in full force and effect until the date the Bonds are deemed paid within the meaning of the Indenture and provision has been made for paying all other sums payable by the Borrower to the Issuer, the Trustee, the Credit Facility Provider and the Paying Agent under the Financing Agreement and the Indenture to the date of the retirement of the Bonds.

Payments Under Financing Agreement

Loan Payments. The Borrower will make Loan Payments to the Trustee at its Administrative Office, for the account of the Issuer, for deposit in the Unavailable Moneys Account of the Revenue Fund, in federal or other immediately available funds, during normal business hours on or before 2:00 p.m., New York Time, on each Loan Payment Date, as follows:

(i) the amount of the principal, if any, of the Bonds due and payable on the Loan Payment Date, whether at stated maturity, by redemption or acceleration or otherwise;

(ii) the amount of interest on the Bonds due and payable on the Loan Payment Date, including the amount, if any, payable on Pledged Bonds for which the Borrower receives notice from the Trustee in accordance with the Indenture;

(iii) the Tender Price of any Bonds required to be purchased pursuant to the Indenture in the amount demanded by the Trustee in accordance with the Indenture.

Payment of the amount of redemption premium, if any, on the Bonds due and payable on a Bond Payment Date must be made at the time or from a source in order for the payment to constitute Available Moneys.

A Loan Payment will be reduced by the amount received by the Trustee and deposited in the Credit Facility Account by the Loan Payment Date.

Except for such interest of the Borrower as may hereafter arise pursuant to the Indenture, the Borrower and the Issuer each acknowledge that neither the Borrower nor the Issuer has any interest in the Revenue Fund, the Debt Service Fund, the Purchase Fund, the Principal Reserve Fund or the Rebate Fund and any moneys deposited therein shall be in the custody of and held by the Trustee in trust for the benefit of the Bondowners or otherwise as provided in the Indenture.

Additional Payments. The Borrower is obligated to pay the reasonable fees and expenses of the Trustee and the Tender Agent for their services under the Indenture and other documents, the administrative fees and expenses of the Issuer related to the transactions contemplated by the Financing Agreement, and the annual rating surveillance fee of the Rating Agency. In addition, the Borrower is obligated to pay all taxes, assessments and charges which may be levied or assessed on the Project and to pay to the Trustee all sums owing pursuant to the Tax Agreement.

Prepayment

Prepayment at the Option of the Borrower. Upon the exercise by the Borrower, with the prior written consent of the Credit Facility Provider (which consent may be conditioned by requiring payment in full of the Borrower's obligations pursuant to the Credit Facility Agreement), of its option to cause the Bonds or any portion thereof to be redeemed pursuant to the optional redemption provisions of the Indenture, the Borrower shall prepay its Loan Payments in whole or in part at the times and at the prepayment prices sufficient to redeem all or a portion of the Bonds then Outstanding in accordance with the provisions of the Indenture. At the written direction of the Borrower such prepayments shall be applied to the redemption of the Bonds in whole or in part in accordance with the Indenture.

Optional Prepayment Upon Certain Events. Upon the occurrence of an event of condemnation, deficiency of title or other casualty as described in the Indenture, the Borrower, with the prior written consent of the Credit Facility Provider, shall have the option, to prepay Loan Payments, in whole or in part at any time, at the time and at the prepayment price sufficient to redeem all or a corresponding portion of the Bonds then Outstanding in accordance with the Indenture.

Mandatory Purchase of Bonds. The Borrower will purchase the Bonds, in whole or in part, on demand of the Tender Agent in accordance with the Indenture, at a price equal to the Tender Price of any Bonds required to be purchased pursuant to the Indenture for which the Tender Agent has not received Remarketing Proceeds or the amount of the drawing under the Credit Facility. Purchase of the Bonds will not constitute a prepayment of the Note unless the Borrower presents the resulting Borrower Bonds to the Trustee for cancellation in accordance with the Indenture. The Borrower acknowledges the transfer of Borrower Bonds is subject to the requirements of the Indenture.

Right to Prepay at any Time. The Borrower shall have the option at any time to prepay all of the Loan Payments, Additional Payments and other amounts it is required to pay under the Financing Agreement by paying to the Trustee all such sums as are sufficient to satisfy and discharge the Indenture and paying or making provision for the payment of all other sums payable thereunder.

See "THE BONDS–Optional Redemption" and "–Extraordinary Optional Redemption."

Disclosure

The Borrower covenants and agrees that, if the Interest Mode for the Bonds is converted to a Semiannual Mode, an Annual Mode or a Multiyear Mode as provided in the Indenture, the Borrower will take all such actions as are necessary and appropriate to comply with and carry out the continuing disclosure requirements of Rule 15c2-12 promulgated by the Securities Exchange Commission.

Amendments to the Financing Agreement

No amendment of the Financing Agreement is permitted subsequent to the issuance of the Bonds and prior to the payment in full thereof without the consent of the Borrower, the Trustee, the Credit Facility Provider and the Issuer and, in certain instances, the consent of the holders of a majority in aggregate principal amount of the Bonds then Outstanding, given in accordance with the criteria described under the caption "THE INDENTURE–Amendments to Other Documents."

Events of Default and Remedies

Each of the following constitutes an Event of Default under the Financing Agreement:

(a) failure by the Borrower to make timely payment of any Loan Payment or any Additional Payment in the case of any Loan Payment or within 30 days following the due date in the case of an Additional Payment (10 days in the case of the payment of arbitrage rebate and the costs of calculating arbitrage rebate);

(b) failure by the Borrower to observe and perform any covenant, condition or agreement on the part of the Borrower under the Financing Agreement, the other Bond Documents or the Indenture, other than as referred to in the preceding subparagraph (a) above, for a period of 60 days after written notice of such default has been given to the Borrower and the Credit Facility Provider by the Credit Facility Provider, the Trustee, or the Issuer during which time such default is neither cured by the Borrower or the Credit Facility Provider nor waived in writing by the Credit Facility Provider or the Trustee and, with respect to the Reserved Rights, the Issuer; provided that, if the failure stated in the notice cannot be corrected within said 60-day period, the Credit Facility Provider, the Trustee and the Issuer may consent in writing to an extension of such time prior to its expiration and the Credit Facility Provider, the Trustee and the Issuer will not unreasonably withhold their consent to such an extension if corrective action is instituted by the Borrower or the Credit Facility Provider within the 60-day period and diligently pursued to completion and if such consent, in their judgment, does not materially adversely affect the interests of the Bondowners;

(c) any representation or warranty by the Borrower in the Financing Agreement or in any certificate or other instrument delivered under or pursuant to the Financing Agreement, the other Bond Documents or in connection with the financing of the Project shall prove to have been

false, incorrect, misleading or breached in any material respect on the date when made, unless waived in writing by the Issuer, the Credit Facility Provider and the Trustee;

(d) the occurrence of an Act of Bankruptcy with respect to the Borrower;

(e) the occurrence of an "Event of Default" under the Indenture;

(f) the occurrence of an event of default by the Borrower under the Regulatory Agreement or the Tax Agreement;

(g) the Trustee's receipt of written notice from the Credit Facility Provider that an "Event of Default" has occurred and is continuing under the Credit Facility Agreement;

(h) the occurrence of an event of default under the Base Lease; or

(i) the occurrence of an event of default under the Sublease.

Remedies on Default

Subject to the rights of the Credit Facility Provider to consent to the declaration or waiver of certain Events of Default as more particularly described in the Financing Agreement, whenever an Event of Default has occurred and is continuing, the Trustee, as the assignee of the Issuer, may take any one or more of the following remedial steps; provided that if the principal of all Bonds then Outstanding and the interest accrued thereon shall have been declared immediately due and payable pursuant to the provisions of the Indenture, all Loan Payments for the remainder of the Loan Term shall become immediately due and payable without any further act or action on the part of the Issuer or the Trustee and the Trustee may immediately proceed (subject to the rights of the Credit Facility Provider as provided in the Financing Agreement) to take any one or more of the remedial steps:

(a) by written notice to the Borrower declaring the outstanding principal of the Loan to be immediately due and payable, together with interest on overdue payments of principal and redemption premium, if any, and, to the extent permitted by law, interest, at the rate or rates of interest specified in the respective Bonds, without presentment, demand or protest, all of which are expressly waived or

(b) take whatever other action at law or in equity, including causing the appointment of a receiver or receivers for the Borrower and/or its assets, taking all actions necessary and appropriate to exercise or to cause the exercise of the rights and powers set forth in the Financing Agreement or in the Indenture, as may appear necessary or desirable to collect the amounts payable pursuant to the Note or the Financing Agreement then due and thereafter to become due or to enforce the performance and observance of any obligation, agreement or covenant of the Borrower under the Financing Agreement or the Indenture.

In the enforcement of the remedies provided in the Financing Agreement, the Trustee may treat all expenses of enforcement, including reasonable legal, accounting and advertising fees and expenses, as Additional Payments then due and payable by the Borrower.

Any amount collected pursuant to action taken in the enforcement of remedies under the Financing Agreement shall be paid to the Trustee and applied, first, to the payment of any costs, expenses and fees incurred by the Issuer or the Trustee as a result of taking such action and, next, any balance shall be used

to satisfy any Loan Payments then due by payment into the Revenue Fund and applied in accordance with the Indenture and, then, to satisfy any other Additional Payments then due or to cure any other Event of Default.

Notwithstanding the foregoing, neither the Issuer nor the Trustee shall be obligated to take any step that in its respective opinion will or might cause it to expend time or money or otherwise incur liability, unless and until indemnity satisfactory to it has been furnished at no cost or expense to the Issuer or the Trustee, as applicable, except as otherwise provided in the Indenture.

The provisions of the Financing Agreement relating to the enforcement of remedies are subject to the limitation that the annulment of a declaration that the Bonds are immediately due and payable shall automatically constitute an annulment of any corresponding declaration made pursuant to subparagraph (a) above and a waiver and rescission of the consequences of such declaration and of the Event of Default with respect to which such declaration has been made, provided that no such waiver or rescission shall extend to or affect any other or subsequent Default or impair any right consequent thereon. In the event any covenant, condition or agreement contained in the Financing Agreement shall be breached or any Event of Default shall have occurred and such breach or Event of Default shall thereafter be waived by the Trustee, such waiver shall be limited to such particular breach or Event of Default.

Unless an Event of Default under the Indenture as described in subparagraphs (a), (b), (c) or (d)(i) herein under the caption "THE INDENTURE–Events of Default" has occurred and is continuing, the Issuer and the Trustee shall exercise the above remedies only if directed in writing by the Credit Facility Provider and shall not waive any Event of Default without the prior written consent of the Credit Facility Provider.

THE LEASE AND THE SUBLEASE

The following is a summary of certain provisions of the Lease between the Borrower and the Issuer and the Sublease between the Issuer and the Borrower. Reference is hereby made to the Lease and the Sublease in their entirety for the detailed provisions thereof.

In order to comply with the Act, the Borrower leases the Project to the Issuer pursuant to the Lease, and the Issuer subleases the Project to the Borrower pursuant to the Sublease. The Borrower, pursuant to the Sublease, paid a lump sum subrental payment of $1,000 to the Issuer on the issuance date of the Bonds, and is obligated to pay as an additional subrental payment the principal of and interest on the Bonds when due, provided that payment of such sum by the Borrower to the Issuer pursuant to the Financing Agreement for Loan Payments shall be deemed to satisfy the Borrower's obligation for such payment. The Borrower is also obligated under the Sublease to pay to the Issuer, the Trustee and others, as "Additional Payments" under the Sublease, the costs and expenses incurred by the foregoing related to the refinancing of the Project to the extent not paid or provided for under the Indenture or the Financing Agreement. The Lease and the Sublease are subordinate to the Mortgage and all other related loan documents. The Borrower has the option to cause the termination of the Lease and the Sublease upon the payment in full of the Bonds at the final maturity thereof, or upon provision for payment thereof in accordance with the provisions of the Indenture, payment by the Borrower of certain amounts due or to become due under the Lease and the Sublease and payment by the Borrower of all amounts due to the Credit Facility Provider. Thereafter neither the Trustee nor the owners of any of the Bonds shall have any rights under the Sublease or with respect to any moneys payable with respect to the Project, saving and excepting those with respect to moneys theretofore paid to the Trustee pursuant to the Indenture.

THE REGULATORY AGREEMENT

The following is a summary of certain provisions of the Amended and Restated Land Use Restriction Agreement dated as of December 1, 1999 (the "Original Regulatory Agreement"), as amended by the First Amendment to Amended and Restated Land Use Restriction Agreement dated as of March 1, 2016 (the "First Amendment to Regulatory Agreement," together with the Original Regulatory Agreement, the "Regulatory Agreement") among the Issuer, the Trustee and the Borrower. Reference is hereby made to the Regulatory Agreement in its entirety for the detailed provisions thereof.

General

Interest on the Bonds is excludable from gross income for federal income tax purposes if, among other things, the Project continuously complies during the Qualified Project Period (as defined below) with Section 142(d) of the Code and the Regulations. Compliance of the Project with Section 142(d) of the Code is in large part within the control of the Borrower and in no part within the control of the Issuer or the Trustee.

Residential Rental Project

The Borrower agrees that the Project will be owned, managed and operated as a "qualified residential rental project" (within the meaning of Section 142(d) of the Code) for the Qualified Project Period.

Occupancy Restrictions

At all times during the Qualified Project Period, at least 20% of the completed dwelling units in the Project will be occupied (or treated as occupied as provided in the Regulatory Agreement) by Low or Moderate Income Tenants. If a Low or Moderate Income Tenant vacates a unit, such unit shall be treated as occupied by a Low or Moderate Income Tenant until reoccupied, other than for a temporary period not in excess of 31 days, at which time a re-determination of whether the unit is occupied by a Low or Moderate Income Tenant shall be made. "Low or Moderate Income Tenant" means a person whose Adjusted Income (as defined in the Regulatory Agreement) which, when combined with the Adjusted Income of all other persons over the age of 18 years residing in the same unit, does not exceed 50% (adjusted for family size as described below) of the median income for the Kansas City, Missouri/Kansas Metropolitan Statistical Area as most recently determined by the Secretary of Housing and Urban Development under Section 8 of the United States Housing Act of 1937, as amended. In no event will the occupants of a unit be considered to be Low or Moderate Income Tenants if all of such occupants are students (as defined in Section 151(c)(4) of the Code), no one of whom is entitled to file a joint return under Section 6013 of the Code. Determinations of Adjusted Income shall include adjustments for family size, i.e., a family of four generally will qualify if the family has an income of 50% or less of the area median income; a family of three having an income of 45% or less of the area median income generally will qualify; a family of two having an income of 40% or less of the area median income generally will qualify; and a single individual having an income of 35% or less of the area median income generally will qualify.

The determination of whether a resident meets the income requirement is to be made by the Borrower at least annually on the basis of the current income of the resident. Each lease (whether or not such tenant is intended to be a Low or Moderate Income Tenant) shall require the tenant to certify the income of the residents annually and at any time as the Borrower may reasonably request. As a condition of occupancy, each person who is intended to be a Low or Moderate Income Tenant shall be required to sign and deliver to the Borrower the Income Computation and Certification in which the prospective Low or Moderate Income

Tenant certifies that he or she is a Low or Moderate Income Tenant or that such person's family is a Low or Moderate Income Tenant.

If the income of a resident of a unit in the Project did not exceed the applicable income limit upon commencement of such resident's occupancy of such unit (or as of any prior determination under the previous paragraph), the income of such resident shall be treated as continuing to not exceed the applicable income limit. The preceding sentence shall cease to apply to any resident whose income as of the most recent determination under the previous paragraph exceeds 140% of the applicable income limit (either as a result of an increase in income or a decrease in family size) if after such determination, but before the next determination, any residential unit of comparable or smaller size in the Project is occupied by a new resident whose income exceeds the applicable income limit.

Not later than 30 days after the end of each calendar quarter, the Borrower shall submit to the Trustee a quarterly compliance certification executed by the Borrower, or on behalf of the Borrower by the managing agent for the Project, stating the number and percentage of units of the Project which were occupied by Low or Moderate Income Tenants or treated as occupied at all times during the preceding calendar quarter and identifying Low or Moderate Income Tenants who commenced or terminated occupancy of the Project during such calendar quarter.

Term

The Regulatory Agreement shall remain in full force and effect until the expiration of the Qualified Project Period, unless in the written opinion of Bond Counsel filed with the Issuer, the Trustee and the Borrower the termination of this Regulatory Agreement at some earlier time will not, in and of itself, adversely affect the exclusion from gross income for federal income tax purposes or the exemption from income taxes of the State of interest on the Bonds. The "Qualified Project Period" ends on the latest of the following: (i) the first day on which no tax-exempt private activity bond (as defined in Section 141(a) of the Code) issued with respect to the Project is outstanding; or (ii) the date on which any assistance provided with respect to the Project under Section 8 of the United States Housing Act of 1937 ("Section 8") terminates.

The terms of the Regulatory Agreement to the contrary notwithstanding, the Regulatory Agreement, and each and all of its terms, shall terminate and be of no further force and effect in the event of

(i) a foreclosure or delivery of a deed in lieu of foreclosure, pursuant to which a purchaser or transferee pursuant to such foreclosure shall take possession of the Project, or involuntary noncompliance with the provisions of the Regulatory Agreement caused by fire, seizure, requisition, change in a federal law, or an action of a federal agency after the date hereof which prevents the Issuer and the Trustee from enforcing the provisions hereof, or condemnation or a similar event, and

(ii) the payment in full and retirement of all of the Bonds within a reasonable period thereafter.

Default; Enforcement

If the Borrower defaults in the performance or observance of any covenant, agreement or obligation of the Borrower set forth in the Regulatory Agreement, the Trustee will notify the Borrower, and the Credit

Facility Provider in writing that a default has occurred, the nature of the default and whether the default has been cured, has not been cured but is curable within 60 days or is incurable. If the default remains uncured for a period of 60 days (or for any shorter period of time as may be required to assure compliance with Section 142(d) of the Code) after notice thereof has been given by the Trustee to the Borrower, then the Trustee, acting on its own behalf or on behalf of the Issuer, shall declare an "Event of Default" to have occurred under the Regulatory Agreement, and the Issuer or the Trustee, at its option, may take any one or more of the following steps:

(i) by mandamus or other suit, action or proceeding at law or in equity, require the Borrower to perform its obligations and covenants under the Regulatory Agreement or enjoin any acts or things which may be unlawful or in violation of the rights of the Issuer or the Trustee under the Regulatory Agreement;

(ii) have access to and inspect, examine and make copies of all of the books and records of the Borrower pertaining to the Project; or

(iii) take such other action at law or in equity as may appear necessary or desirable to enforce the obligations, covenants and agreements of the Borrower under the Regulatory Agreement;

provided, however, that if the default is of such a nature that it cannot be corrected within sixty (60) days, such default shall not constitute an Event of Default hereunder so long as (i) the Borrower institutes corrective action within said sixty (60) days and diligently pursues such action until the default is corrected, and (ii) in the opinion of Bond Counsel, the failure to cure said default within sixty (60) days will not adversely affect the exclusion of interest on the Bonds from gross income for federal income tax purposes.

Notwithstanding anything contained in this Regulatory Agreement to the contrary, the occurrence of an Event of Default under this Regulatory Agreement shall not be deemed, under any circumstances whatsoever, to be a default under the Bond Documents except as specified in the Bond Documents.

The Trustee has the right, in accordance with the Regulatory Agreement and the provisions of the Indenture, upon notice to but without the consent or approval of the Issuer, to exercise any or all of the rights or remedies of the Issuer under the Regulatory Agreement.

TAX MATTERS

Original Opinion of Bond Counsel

On December 8, 1999, Gilmore & Bell, P.C., Bond Counsel to the Issuer, delivered its opinion with respect to the Bonds (a copy of which is attached hereto as Appendix D) that, under existing law, the interest on the Bonds is excludable from gross income for federal income tax purposes, except during any period while a Bond is held by a "substantial user" of the Project or a "related person" within the meaning of Section 147(a) of the Internal Revenue Code of 1986, as amended (the "Code"). Bond Counsel noted, however, that interest on the Bonds is an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations. Bond Counsel further noted that in addition to the exception stated in the first sentence of this paragraph, the opinions set forth in the opinion dated December 8, 1999, were subject to the condition that the Issuer and the Borrower comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Bonds (including the requirements of the Regulatory Agreement and the original Tax Agreement with respect to the Bonds) in order that interest

thereon be, or continue to be, excluded from gross income for federal income tax purposes. The Issuer and the Borrower covenanted to comply with each such requirement. Failure to comply with certain of such requirements may cause the inclusion of interest on the Bonds in gross income for federal income tax purposes retroactive to the date of issuance of the Bonds. The Bonds are not "qualified tax-exempt obligations" for purposes of Section 265(b) of the Code.

Bond Counsel was also of the opinion that interest on the Bonds is exempt from Kansas income taxation.

Bond Counsel expressed no opinion regarding other federal, state or local tax consequences arising with respect to the Bonds.

No Adverse Effect Opinion of Bond Counsel

In the opinion of Bond Counsel, the delivery of the Credit Facility will not, in and of itself, adversely affect the exclusion from gross income for federal income tax purpose, of the interest payable on the Bonds. This supplemental opinion is not to be interpreted as a reissuance of the original approving opinion of Bond Counsel delivered on December 1, 1999. No opinion is given as to whether the interest on the Bonds is currently excludable from gross income for federal income tax purposes.

CERTAIN LEGAL MATTERS

Certain legal matters relating to the delivery of the Credit Facility by the Credit Facility Provider and the execution and delivery of the Indenture, the Financing Agreement, the First Amendment to Regulatory Agreement, the First Amendment to Lease Agreement, the First Amendment to Sublease Agreement, the Tax Agreement are subject to the approving opinion of Gilmore & Bell, P.C., Kansas City, Missouri, Bond Counsel to the Issuer, which will be furnished at the expense of the Borrower on the Substitution Date.

Except as set forth below, Bond Counsel has not prepared and does not pass upon the fairness, accuracy or completeness of this Remarketing Statement. No person is entitled to rely upon such firm's limited participation as an assumption of responsibility for or an expression of any kind with regard to the accuracy or completeness of any information contained herein. Bond Counsel has reviewed the information appearing under the captions "THE BONDS," "TENDER AND PURCHASE OF BONDS," "SECURITY FOR THE BONDS," "THE INDENTURE," "THE FINANCING AGREEMENT," "THE REGULATORY AGREEMENT," "THE LEASE AND THE SUBLEASE," "TAX MATTERS" and applicable portions of the "INTRODUCTORY STATEMENT" and Appendix C and Appendix D.

Certain legal matters will be passed upon for the Borrower by its counsel, Lewis, Rice & Fingersh, L.C., Kansas City, Missouri, and for the Credit Facility Provider by Stinson Leonard Street LLP, Kansas City, Missouri.

The various legal opinions to be delivered concurrently with the delivery of the Bonds express the professional judgment of the attorneys rendering the opinions on the legal issues explicitly addressed therein. By rendering the legal opinion, the opinion giver does not become an insurer or guarantor of an expression of professional judgment of the transaction opined upon, or of the future performance of parties to such transaction. Nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

NO LITIGATION

The Borrower

There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before any court, public board or body, pending or, to the knowledge of the Borrower, threatened against the Borrower or the Project in any way contesting or affecting the transactions contemplated by or under the Bond Documents and the Credit Documents.

The Issuer

There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before any court, public board or body, pending or, to the knowledge of the Issuer, threatened against the Issuer restraining or enjoining the execution or delivery of the Bonds, or in any way contesting or affecting the validity thereof or the validity or enforceability of the Issuer's obligations under the Bond Documents.

RATINGS

Standard & Poor's, A Division of the McGraw Hill Companies (the "Rating Agency") has assigned the ratings to the Bonds set forth on the cover page. Such ratings reflect only the views of the Rating Agency at the time the ratings are given, and neither the Issuer nor the Borrower makes any representation as to the appropriateness of the ratings. An explanation of the significance of such ratings may be obtained only from the Rating Agency. There is no assurance that such ratings will continue for any given period of time or that they will not be revised downward, suspended or withdrawn entirely by the Rating Agency, if, in its judgment, circumstances so warrant. Any such downward revision, suspension or withdrawal of such ratings may have an adverse effect on the market price of the Bonds.

REMARKETING

Stern Brothers & Co. (the "Remarketing Agent") has agreed to use its best efforts to remarket the Bonds pursuant to the Remarketing Agreement dated as of December 1, 1999, as amended by the First Amendment to Remarketing Agreement dated as of March 1, 2016 (collectively, the "Remarketing Agreement") between the Remarketing Agent and the Borrower, at a price equal to 100% of the principal amount thereof. In consideration for its services, the Remarketing Agent will receive $[_____].

CONTINUING DISCLOSURE

During the Weekly Mode or the Monthly Mode the Bonds are exempt from the continuing disclosure requirements of Rule 15c2-12 promulgated by the Securities Exchange Commission. In the Financing Agreement, the Borrower covenants and agrees that, if the Interest Mode for the Bonds is converted to a Semiannual Mode, an Annual Mode or a Multiyear Mode as provided in the Indenture, the Borrower will take all such actions as are necessary and appropriate to comply with and carry out the continuing disclosure requirements of Rule 15c2-12. The Borrower has not been in breach of any disclosure obligation.

MISCELLANEOUS

The summaries of the Indenture, the Financing Agreement, the Lease, the Sublease, the Regulatory Agreement, the Credit Facility and the Credit Facility Agreement and the descriptions of the Issuer, the Bonds, the Borrower and the Project are only brief outlines and do not purport to be complete or definitive. Reference is hereby made to such documents for the complete provisions thereof.

Any statements in this Remarketing Statement involving matters of opinion or forecast, whether or not expressly so stated, are intended as such and not as representations of fact. This Remarketing Statement is not to be construed as a contract or agreement between the Issuer, the Borrower, the Credit Facility Provider or the Remarketing Agent and the purchasers or owners of the Bonds.

The Issuer makes no representations with respect to any information in this Remarketing Statement other than the information under the headings "THE ISSUER" and "NO LITIGATION–The Issuer." The Issuer has not prepared or participated in the preparation of any portion of this Remarketing Statement other than the portion under the headings "THE ISSUER" and "NO LITIGATION–The Issuer."

The Borrower has duly authorized the execution and delivery of this Remarketing Statement.

WHISPERING FALLS, L.L.C., a Kansas limited liability company, as Borrower

By: OCF ASSOCIATES, L.L.C., a Kansas limited liability company, Manager

By: PFF, Inc., a Kansas corporation, Member

By: /s/ Paul Fingersh
Title: President

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Appendix A

INFORMATION REGARDING THE CREDIT FACILITY PROVIDER

U.S. BANK NATIONAL ASSOCIATION

The information presented under this caption has been supplied by the Credit Facility Provider. None of the Issuer, the Trustee, the Borrower, the Credit Facility Provider or the Remarketing Agent has independently verified such information, and none assumes responsibility for the accuracy of such information.

U.S. Bank National Association ("USBNA") is a national banking association organized under the laws of the United States and is the largest subsidiary of U.S. Bancorp. At September 30, 2015, USBNA reported total assets of $411 billion, total deposits of $305 billion and total shareholders' equity of $42 billion. The foregoing financial information regarding USBNA has been derived from and is qualified in its entirety by the unaudited financial information contained in the Federal Financial Institutions Examination Council report Form 031, Consolidated Report of Condition and Income for a Bank with Domestic and Foreign Offices ("Call Report"), for the quarter ended September 30, 2015. The publicly available portions of the quarterly Call Reports with respect to USBNA are on file with, and available upon request from, the FDIC, 550 17th Street, NW, Washington, D.C. 20429 or by calling the FDIC at (877) 275-3342. The FDIC also maintains an Internet website at www.fdic.gov that contains reports and certain other information regarding depository institutions such as USBNA. Reports and other information about USBNA are available to the public at the offices of the Comptroller of the Currency at One Financial Place, Suite 2700, 440 South LaSalle Street, Chicago, IL 60605.

U.S. Bancorp is subject to the informational requirements of the Securities Exchange Act of 1934, as amended, and, in accordance therewith, files reports and other information with the Securities and Exchange Commission (the "SEC"). U.S. Bancorp is not guaranteeing the obligations of USBNA and is not otherwise liable for the obligations of USBNA.

Except for the contents of this section, USBNA and U.S. Bancorp assume no responsibility for the nature, contents, accuracy or completeness of the information set forth in this Remarketing Statement.

Appendix B

FORM OF CREDIT FACILITY

U.S. BANK NATIONAL ASSOCIATION

IRREVOCABLE LETTER OF CREDIT

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Appendix C

CERTAIN DEFINITIONS

In addition to terms defined elsewhere in this Remarketing Statement, the following are definitions of certain terms used in the Indenture, the Financing Agreement and this Remarketing Statement.

"Accounts" means the accounts created pursuant to the Indenture.

"Act" means K.S.A. 12-1740 to 12-1749d, inclusive, and K.S.A. 10-116a, as amended.

"Act of Bankruptcy" means, as to the Borrower, any of the following:

(a) the commencement by the Borrower, of a voluntary case under the federal bankruptcy laws, as now in effect or hereafter amended, or any other applicable federal or state bankruptcy, insolvency or similar laws;

(b) the filing of a petition with a court having jurisdiction over the Borrower to commence an involuntary case against any of the foregoing under the federal bankruptcy laws, as now in effect or hereafter amended, or any other applicable federal or state bankruptcy, insolvency or similar laws, and such petition is not discharged within 60 days of the filing thereof;

(c) the Borrower shall admit in writing its inability to pay its debts generally as they become due;

(d) a receiver, trustee or liquidator of the Borrower shall be appointed in any proceeding brought against any of the foregoing;

(e) assignment by the Borrower of all or substantially all of its assets for the benefit of its creditors; or

(f) the entry by the Borrower into an agreement of composition with its creditors; and, as to the Issuer, the commencement by the Issuer of a voluntary case under the federal bankruptcy laws, as now in effect or hereafter amended, or any other applicable federal or state bankruptcy, insolvency or similar laws.

"Additional Payments" means the additional payments to be made by the Borrower under the Financing Agreement (see "THE FINANCING AGREEMENT–Payments Under Financing Agreement--Additional Payments."

"Administrative Office" means (i) with respect to the initial Trustee and Tender Agent, for notice and administrative purposes, initially, 2 South Broadway, Suite 435, St. Louis, Missouri 63102, Attention: Corporate Trust Department, and (ii) with respect to any successor Trustee or Tender Agent, its office for notice and administrative purposes designated as such by the successor Trustee or Tender Agent.

"Alternate Credit Facility" means the any alternate credit facility provided by one or more Persons (if provided by two or more Persons, their obligations may be on a joint basis or a several basis), designated and qualified as such pursuant to the Indenture. The renewal or extension of the Termination Date of the existing Credit Facility does not constitute an Alternate Credit Facility if the Trustee receives written

evidence from the Credit Facility Provider in a form satisfactory to the Trustee of the renewal or extension no later than the 25th day prior to the then applicable Termination Date.

"Alternate Credit Facility Date" means the effective date of any Alternate Credit Facility delivered to the Trustee pursuant to the Indenture.

"Annual Mode" means an Interest Mode during which the interest rate on the Bonds is determined at twelve month intervals, except that the first period will be from the Interest Mode Adjustment Date to, but not including, the next Rate Adjustment Date.

"Authorized Borrower Representative" means the person at the time designated to act on behalf of the Borrower as evidenced by a written certificate furnished to the Issuer, the Credit Facility Provider and the Trustee containing the specimen signature of such person and signed on behalf of the Borrower by a Manager or, if the Borrower is a corporation, an authorized officer of the Borrower, or if a partnership, an authorized signatory of the general partner. Such certificate may designate an alternate or alternates, each of whom shall be entitled to perform all duties and exercise all powers of an Authorized Borrower Representative. Until otherwise designated by the Borrower, the Authorized Borrower Representative is Paul S. Fingersh.

"Authorized Credit Facility Provider Representative" means the person at the time designated to act on behalf of the Credit Facility Provider as evidenced by a written certificate furnished to the Issuer, the Borrower and the Trustee containing the specimen signature of such person and signed on behalf of the Credit Facility Provider by a Senior Vice President, First Vice President or Vice President of the Credit Facility Provider. Such certificate may designate an alternate or alternates, each of whom shall be entitled to perform all duties and exercise all powers of an Authorized Credit Facility Provider Representative.

"Authorized Denominations" means (i) in the case of Bonds in a Weekly Mode or Monthly Mode, $100,000 and any integral multiple of $5,000 in excess thereof; (ii) in the case of Bonds in a Semiannual Mode, Annual Mode or Multiyear Mode, $5,000 or any integral multiple thereof, provided that if the Credit Facility is not exempt from registration under the Securities Act of 1933, as amended, and has not been registered under the Securities Act of 1933, as amended, then the Authorized Denomination shall be $100,000 and any integral multiple of $5,000 in excess thereof; or (iii) in the case of a Bond which is a Pledged Bond, $5,000 or any integral multiple thereof.

"Authorized Issuer Representative" means the Mayor, Vice Mayor or City Clerk of the Issuer, or such other person at the time designated to act on behalf of the Issuer as evidenced by a written certificate furnished to the Borrower, the Credit Facility Provider and the Trustee containing the specimen signature of such person and signed on behalf of the Issuer by the Mayor, Vice Mayor or City Clerk. Such certificate may designate an alternate or alternates, each of whom shall be entitled to perform all duties and exercise all powers of an Authorized Issuer Representative.

"Available Moneys" means (i) moneys that have been paid to the Trustee pursuant to payments under the Credit Facility and that have been held in the Credit Facility Account and not commingled with other funds that do not constitute Available Moneys, and proceeds from the investment thereof; (ii) Remarketing Proceeds; and (iii) moneys delivered to the Trustee and accompanied by a written opinion of nationally recognized counsel experienced in bankruptcy matters to the effect that if the Borrower, any general partner, member or guarantor of the Borrower, or the Issuer were to become a debtor in a proceeding under the Bankruptcy Code: (i) payment of such money to holders of the Bonds would not constitute an avoidable preference under Section 547 of the Bankruptcy Code, (ii) the automatic stay provisions of

Section 362(a) of the Bankruptcy Code would not prevent application of such money to the payment of the Bonds, and (iii) is not subject to inclusion in a bankrupt's estate under Section 541 of the Bankruptcy Code.

"Available Moneys Account" means the account by that name in the Revenue Fund created pursuant to the Indenture.

"Bankruptcy Code" means Title 11 of the United States Code entitled "Bankruptcy," as now and hereafter in effect, or any successor federal statute.

"Bond Counsel" means Gilmore & Bell, P.C. or any other attorney or firm of attorneys reasonably acceptable to the Issuer, the Trustee and the Credit Facility Provider having a national reputation for skill in connection with the authorization and issuance of municipal obligations in the State and under Sections 103 and 141-150 of the Code which may be counsel to the Trustee or the Credit Facility Provider.

"Bond Documents" means the Indenture, the Financing Agreement, the Lease, the Sublease, the Note, the Regulatory Agreement, the Tax Agreement and the Remarketing Agreement.

"Bond Payment Date" means an Interest Payment Date, Principal Payment Date or any other date on which the principal of or interest on the Bonds is payable (other than a Tender Date).

"Bond Pledge Agreement" means the Bond Pledge Agreement dated as of December 1, 1999, among the Borrower, the Credit Facility Provider and the Tender Agent, and any similar agreement among the Borrower, the Credit Facility Provider and the Trustee with respect to the issuance of an Alternate Credit Facility, as amended, supplemented or restated from time to time.

"Bond Register" means the registration books of the Issuer kept by the Trustee to evidence the registration and transfer of Bonds.

"Bond Registrar" means the Trustee when acting as such.

"Bondowner" or "Owner" or "Registered Owner" means the person in whose name such Bond is registered on the Bond Register.

"Borrower" means Whispering Falls, L.L.C., a Kansas limited liability company, and its successors or assigns thereto permitted under the Financing Agreement.

"Borrower Bonds" means (i) Bonds owned or held by the Borrower, or by the Trustee or the Tender Agent, or the agent of either of them, for the account of the Borrower, including, but not limited to, Pledged Bonds, or (ii) Bonds which the Borrower has notified the Trustee in writing, or which, to the actual knowledge of the Trustee, were purchased by another Person for the account of the Borrower, including, but not limited to, Pledged Bonds.

"Business Day" means a day which is not a Saturday, Sunday or any other day on which banking institutions in New York, New York, or the city or cities in which the Administrative Office or Payment Office of the Trustee, or the Administrative Office or Payment Office of the Tender Agent, or principal office of the Remarketing Agent or the Credit Facility Provider is located, are required or authorized to close.

"Code" means the Internal Revenue Code of 1986, as amended from time to time. References to the Code and Sections of the Code include relevant applicable regulations, temporary regulations and

proposed regulations thereunder, and any successor provisions to those Sections, regulations, temporary regulations or proposed regulations.

"Credit Documents" means the Credit Facility Agreement, the Mortgage, the Bond Pledge Agreement, the Environmental Indemnity Agreement and the Guaranty Agreement, in each case as the same may be amended, restated or supplemented.

"Credit Facility" means initially the irrevocable direct-pay letter of credit, and any renewals in accordance with the provisions of the Credit Facility and the Credit Facility Agreement, issued by U.S. Bank National Association, and thereafter any Alternate Credit Facility.

"Credit Facility Account" means the account by that name in the Revenue Fund created in the Indenture.

"Credit Facility Agreement" means the Application for Letter of Credit and Reimbursement Agreement dated as of March 1, 2016, between the Borrower and the Credit Facility Provider, as amended, supplemented or restated from time to time, and any similar agreement or agreements with respect to the issuance of an Alternate Credit Facility.

"Credit Facility Provider" means initially U.S. Bank National Association, a national banking association, issuer of the Credit Facility, and any provider or providers of an Alternate Credit Facility.

"Debt Service Fund" means the fund by that name created in the Indenture.

"Default" means any event or condition which, or with the giving of any requisite notice or upon the passage of any requisite time period or upon the occurrence of both, would constitute an Event of Default under the Financing Agreement or the Indenture.

"Determination of Taxability" means (i) a determination by the Commissioner or any District Director of the Internal Revenue Service, (ii) a private ruling or Technical Advice Memorandum issued by the National Office of the Internal Revenue Service in which the Borrower was afforded the opportunity to participate, (iii) a determination by any court of competent jurisdiction, or (iv) receipt by the Trustee, at the request of the Borrower, the Credit Facility Provider or any Bondowner, of an Opinion of Bond Counsel that the interest on the Bonds is includable in gross income for federal income tax purposes of the Owners thereof or any former Owner thereof, other than an Owner who is a "substantial user" (as such term is defined in Section 147(a) of the Code) of the Project or a Related Person; provided, however, that no such Determination of Taxability under clause (i) or (iii) shall be deemed to have occurred if the Borrower has been afforded the opportunity to contest such determination, has elected to contest such determination in good faith and is proceeding with all applicable dispatch to prosecute such contest until the earliest of (a) a final determination from which no appeal may be taken with respect to such determination, (b) abandonment of such appeal by the Borrower, or (c) one year from the date of initial determination.

"Eligible Account" means an account that is either (a) maintained with a federal or state-chartered depository institution or trust company that has a Standard & Poor's long-term debt rating of at least "A"; or (b) maintained with the corporate trust department of a federal depository institution or state-chartered depository institution subject to regulations regarding fiduciary funds on deposit, which, in either case, has corporate trust powers and is acting in its fiduciary capacity, and the account is governed by 12 C.F.R. §9.10(b). In the event that an account required to be an "Eligible Account" no longer complies with the requirement, the Trustee should promptly (and, in any case, within not more than 60 calendar days) move

such account to another financial institution such that the Eligible Account requirement will again be satisfied.

"Environmental Indemnity Agreement" means the Hazardous Materials Indemnity Agreement dated as of December 1, 1999, from guarantors named therein, for the benefit of the Credit Facility Provider, as amended, supplemented or restated from time to time.

"Event of Default" means any event or occurrence as defined in the Indenture or the Financing Agreement, as the case may be.

"Financing Agreement" means the Amended and Restated Financing Agreement dated as of March 1, 2016, among the Issuer, the Trustee and the Borrower, as from time to time amended, supplemented or restated in accordance with the provisions of the Financing Agreement and the Indenture.

"Funds" means the funds created pursuant to the Indenture.

"Government Securities" means direct obligations of, or obligations the payment of the principal of and interest on which are unconditionally guaranteed by, the United States of America.

"Guarantor" means NRES Holdings, LLC, a Delaware limited liability company, or any other guarantor or guarantors as required under the Credit Facility Agreement from time to time.

"Guaranty Agreement" means the Guaranty Agreement dated as of March 1, 2016, executed by NRES Holdings, LLC, and any other Guaranty Agreement executed by the applicable Guarantor or Guarantors for the benefit of the Credit Enhancer, each as from time to time amended and supplemented in accordance with its terms, collectively, the "Guaranty Agreements."

"Immediate Notice" means notice by telephone, telegram, telex, telecopier or other telecommunication device (but excluding internet e-mail) to such phone numbers or addresses as are specified in the Indenture or such other phone number or address as the addressee shall have directed in writing, promptly followed by written notice by first-class mail postage prepaid to such addresses.

"Indenture" means the Amended and Restated Trust Indenture dated as of March 1, 2016 between the Issuer and the Trustee, as from time to time amended, restated and supplemented by Supplemental Indentures in accordance with the provisions of the Indenture.

"Interest Account" means the account by that name in the Debt Service Fund created pursuant to the Indenture.

"Interest Mode" means a period of time relating to the frequency with which the interest rate on the Bonds is determined pursuant to the Indenture, which Interest Mode may be a Weekly Mode, a Monthly Mode, a Semiannual Mode, an Annual Mode or a Multiyear Mode.

"Interest Mode Adjustment Date" means a date on which the Interest Mode is changed from one Interest Mode to a different Interest Mode, and such date shall be an Interest Payment Date.

"Interest Mode Adjustment Notice" means the notice of a new Interest Mode with respect to the Bonds in accordance with the Indenture.

"Interest Payment Date" means the date on which an interest installment is required to be paid on the Bonds to the Owners thereof, (i) with respect to all Bonds other than Pledged Bonds, (1) as to any Weekly Mode or Monthly Mode, the first Business Day of each month, commencing April 1, 2016; (2) as to any Semiannual Mode, Annual Mode or Multiyear Mode, each June 1 and December 1, commencing with the first June 1 or December 1 which is at least 60 days after the Interest Mode Adjustment Date; (3) an Interest Mode Adjustment Date; and (4) an Alternate Credit Facility Date; and (ii) with respect to Pledged Bonds, the first Business Day of each calendar month and the date of sale of Pledged Bonds.

"Interest Period" means the period from and including each Interest Payment Date for an Interest Mode to and including the day immediately preceding the following Interest Payment Date for such Interest Mode, except that the first Interest Period shall be the period from and including the date of original delivery of the Bonds to and including the day immediately preceding the first Interest Payment Date for the Bonds.

"Investment Securities" means any of the following securities purchased in accordance with the Indenture, if and to the extent the same are at the time legal for investment of the funds being invested:

(a) Government Securities;

(b) Federal Home Loan Mortgage Corporation (Freddie Mac) and Farm Credit Banks (Federal Land Banks, Federal Intermediate Credit Banks and Banks for Cooperatives) participation certificates and senior debt obligations which bear interest at a fixed rate and are fully amortizing;

(c) Federal National Mortgage Association (Fannie Mae) mortgage backed securities and senior debt obligations which bear interest at a fixed rate and are fully amortizing;

(d) Student Loan Marketing Association (Sallie Mae) letter of credit backed issues and senior debt obligations;

(e) federal funds, certificates of deposit, time deposits and bankers' acceptances (having original maturities of not more than 365 days) of any bank (including the Trustee and its affiliates) the unsecured, uninsured and unguaranteed debt obligations of which (or, in the case of a bank subsidiary in a bank holding company, debt obligations of the bank holding company) have been rated "AA" or "A-1+" (or equivalent) by the Rating Agency at the time of purchase;

(f) certificates of deposit issued by institutions which are members of the Federal Deposit Insurance Corporation (including without limitation, the Trustee or any bank affiliated with the Trustee);

(g) commercial paper (having original maturities of not more than 270 days) rated "A-1" at the time of purchase or its equivalent by either Rating Agency;

(h) obligations rated "AA" or "A-1+" at the time of purchase or its equivalent by the Rating Agency, or unrated general obligations of any Person which has outstanding other unsecured, uninsured and unguaranteed obligations which are so rated by either Rating Agency;

(i) tax-exempt obligations of any state of the United States of America or any political subdivision or other instrumentality of any such state, which obligations are rated at the time of purchase in either of the two highest rating categories (i.e., "AA" or higher) of either Rating Agency and are not "specified private activity bonds" as defined in Section 57(a)(5)(C) of the Code;

(j) tax-exempt money market funds which at the time of purchase are "qualified regulated investment companies" within the meaning of IRS Notice 87-22, dated September 25, 1987, and which meet the other requirements of IRS Notice 87-22 and any subsequent regulations necessary to exempt investments in such funds from the definition of "investment property" under Section 148 of the Code whose assets are solely invested in obligations rated in either of the two highest rating categories by the Rating Agency;

(k) any shares in money market mutual funds provided such money market mutual funds are rated at least "AAm" or "AAm-G" (or equivalent) by the Rating Agency; and

(l) any other investment approved by the Credit Facility Provider in writing.

"Lease" means the Base Lease Agreement dated as of December 1, 1999, as amended by the First Amendment to Base Lease Agreement dated as of March 1, 2016, between the Borrower and the Issuer, as amended or supplemented from time to time.

"Loan Payment Date" means each Bond Payment Date and Tender Date.

"Loan Payments" means the payments to be made by the Borrower under the Financing Agreement in repayment of the loan of the proceeds of the Bonds by the Trustee to the Borrower (see "THE FINANCING AGREEMENT–Payments Under Financing Agreement–Loan Payments."

"Loan Term" means the period from the date of initial delivery and authentication of the Bonds until such time as the Bonds are no longer Outstanding and all other amounts payable by the Borrower under the Financing Agreement and the Credit Facility Agreement have been paid.

"Manager" means each of Paul S. Fingersh and Peter Engelman, and their permitted successors and assigns, collectively, the "Managers."

"Mandatory Purchase Date" means each date designated for the Credit Facility Provider for purchase of the Bonds in accordance with the provisions of the Indenture.

"Maximum Rate" means, the maximum rate set forth in the Credit Facility used to compute the interest component of the Credit Facility, but in no event higher than 15%.

"Monthly Mode" means an Interest Mode during which the interest rate on the Bonds is determined in monthly intervals, except that the first period will be from the Interest Mode Adjustment Date to, but not including, the next Rate Adjustment Date.

"Moody's" means Moody's Investors Service, a corporation organized and existing under the laws of the State of Delaware, and its successors and assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, "Moody's" shall be deemed to refer to any other nationally recognized securities rating agency designated by the Borrower, with the prior written approval of the Credit Facility Provider, by written notice to the Trustee and the Issuer.

"Mortgage" means the Mortgage with Absolute Assignment of Leases and Rents, Security Agreement and Fixture Filing dated as of March 1, 2016, from the Borrower for the benefit of the Credit Facility Provider, as amended, supplemented or restated from time to time, or any similar agreements executed for the benefit of the Credit Facility Provider.

"Multiyear Mode" means an Interest Mode during which the interest rate on the Bonds is determined at intervals of integral (greater than one) multiples of twelve months (except that the first period will be from the Interest Mode Adjustment Date to, but not including, the next Rate Adjustment Date) or is fixed to the final maturity of the Bonds.

"New York Time" means the time on any given day in the City of New York, New York, whether such time be Eastern Standard Time or Eastern Daylight Savings Time.

"Note" means the Amended and Restated Promissory Note dated March 15, 2016, from the Borrower to the Trustee pursuant to the Financing Agreement, as amended, supplemented or restated from time to time.

"Notice of Election to Tender Bonds" means the Notice of Election to Tender Bonds, in substantially the form attached to the Indenture delivered by a Bondowner to the Tender Agent, which contains a demand for the purchase of Bonds on the Tender Date.

"Opinion of Bond Counsel" means an Opinion of Counsel from Bond Counsel addressed to the Trustee, for the benefit of the Trustee, the Owners of the Bonds, and the Credit Facility Provider.

"Opinion of Counsel" means a written opinion of an attorney or firm of attorneys addressed to the Issuer, the Trustee and the Credit Facility Provider, who may (except as otherwise expressly provided in the Indenture) be counsel to the Issuer, the Borrower, the Credit Facility Provider or the Trustee, and who is acceptable to the Issuer, the Trustee and the Credit Facility Provider.

"Original Financing Agreement" means the Financing Agreement dated as of December 1, 1999 among the Issuer, State Street Bank and Trust Company of Missouri, N.A., predecessor to the Trustee, and the Borrower.

"Original Indenture" means the Trust Indenture dated as of December 1, 1999 between the Issuer and State Street Bank and Trust Company of Missouri, N.A., predecessor to the Trustee.

"Outstanding" when used with reference to Bonds, means, as of a particular date, all Bonds theretofore authenticated and delivered under the Indenture except:

(a) Bonds theretofore cancelled by the Trustee or delivered to the Trustee for cancellation pursuant to the Indenture;

(b) Bonds that are deemed to have been paid in accordance with the Indenture;

(c) Bonds in exchange for or in lieu of which other Bonds have been authenticated and delivered pursuant to the Indenture;

(d) Undelivered Bonds; and

(e) for purposes of any consent or other action to be taken by the Owner of a specified percentage of Bonds under the Indenture or the Financing Agreement, Bonds registered in the name of the Issuer or Borrower Bonds. Notwithstanding the foregoing, Bonds so owned which have been pledged in good faith shall not be disregarded as aforesaid if the pledgee establishes to the

satisfaction of the Trustee the pledgee's right so to act with respect to such Bonds and that the pledgee is not the Issuer or the Borrower.

"Paying Agent" means the Tender Agent as to all Tendered Bonds, the Trustee as to all other Bonds, and any other bank or trust institution organized under the laws of any state of the United States of America or any national banking association designated by the Indenture or any Supplemental Indenture as paying agent for the Bonds at which the principal of, and redemption premium, if any, on, such Bonds shall be payable.

"Payment Office" means, (i) with respect to the initial Trustee and Tender Agent, for payment, registration, maintenance of the Bond Register, tender of Bonds and exchange purposes, initially 928 Grand Boulevard, Kansas City, Missouri 64106-2040, Attention: Corporate Trust Bond Operations Department, and (ii) with respect to any successor Trustee or Tender Agent, its office or offices for those purposes designated as such by the successor Trustee or Tender Agent.

"Person" and "person" means an individual, a corporation, a partnership, an association, a joint stock company, a joint venture, a trust, an unincorporated organization, a limited liability company, or a government or any agency or political subdivision thereof.

"Placement Date" means any date on which a Pledged Bond is purchased from the Borrower by a Person designated by the Remarketing Agent pursuant to the Remarketing Agreement or is sold by the Borrower.

"Pledged Bonds" means any Bonds purchased by the Borrower with payments made under the Credit Facility, which Bonds are registered in the name of the Borrower and held by the Trustee on behalf of the Credit Facility Provider pursuant to the terms of the Bond Pledge Agreement, until such time as such Bonds are sold by the Borrower or by the Remarketing Agent.

"Principal Account" means the account by that name in the Debt Service Fund created pursuant to the Indenture.

"Principal Payment Date" means the maturity date or redemption date (including as a result of acceleration) of any Bond.

"Principal Reserve Fund" means the fund by that name created in the Indenture.

"Principal Reserve Payments" means the payments to be made by the Borrower for deposit to the Principal Reserve Fund in accordance with the Credit Facility Agreement (as that provision may be amended, supplemented or restated from time to time).

"Project" means the 435-unit multifamily housing facility for rental to persons of low- and moderate-income as further described under the heading "THE BORROWER AND THE PROJECT."

"Project Site" means all of the real estate described in the Regulatory Agreement.

"Purchase Fund" means the fund by that name created in the Indenture.

"Qualified Institutional Buyer" means a "qualified institutional buyer" as defined in Rule 144A (17 C.F.R. §230.144A(a)(i)) promulgated under the Securities Act of 1933.

"Rate Adjustment Date" means the date as of which the interest rate determined for an Interest Mode shall be effective, which (i) for the Weekly Mode shall be Thursday of each week (whether or not a Business Day); (ii) for the Monthly Mode shall be the first Business Day of each month; (iii) for the Semiannual Mode shall be June 1 and December 1; (iv) for the Annual Mode or a Multiyear Mode shall be June 1; and (v) for any Interest Mode, shall be the Interest Mode Adjustment Date. The initial Rate Adjustment Date is March 17, 2016.

"Rate Determination Date" means no later than 4:00 p.m., New York Time, on the Business Day immediately preceding a Rate Adjustment Date during a Weekly Mode or a Monthly Mode, and on a Business Day which is at least one Business Day immediately preceding a Rate Adjustment Date during a Semiannual Mode, Annual Mode or Multiyear Mode.

"Rate Period" means the period from a Rate Adjustment Date to, but not including, the next Rate Adjustment Date.

"Rating Agency" means Standard & Poor's, if the Bonds are then rated by Standard & Poor's, Moody's, if the Bonds are then rated by Moody's, and any other national rating service which has outstanding credit rating on the Bonds; provided if the Bonds are not rated, then references in the Indenture to the Rating Agency shall be of no force and effect.

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

"Record Date" means, with respect to Bonds in a Semiannual Mode, an Annual Mode or a Multiyear Mode, the fifteenth calendar day, whether or not a Business Day, of the month preceding such Interest Payment Date, and, with respect to Bonds in a Weekly Mode or Monthly Mode, the Business Day immediately preceding such Interest Payment Date.

"Redemption Account" means the account by that name in the Debt Service Fund created pursuant to the Indenture.

"Regulatory Agreement" means the Amended and Restated Land Use Restriction Agreement dated as of December 1, 1999, as amended by the First Amendment to Amended and Restated Land Use Restriction Agreement dated as of March 1, 2016, among the Issuer, the Trustee and the Borrower, as amended, supplemented or restated from time to time.

"Related Person" means a "related person" within the meaning of Section 147(a) of the Code.

"Remarketing Agent" means the remarketing agent at the time serving as such under the Remarketing Agreement and designated as the Remarketing Agent for purposes of the Indenture. The initial Remarketing Agent is Stern Brothers & Co.

"Remarketing Agreement" means the Remarketing Agreement dated as of December 1, 1999, as amended by the First Amendment to Remarketing Agreement dated as of March 1, 2016, between the Borrower and the Remarketing Agent, as amended, supplemented or restated from time to time, or, if such Remarketing Agreement shall be terminated, such other agreement, approved by the Credit Facility Provider, which may from time to time be entered into with any Remarketing Agent with respect to the remarketing or placement of the Bonds.

"Remarketing Proceeds" means proceeds from the resale by the Remarketing Agent of Bonds delivered for purchase pursuant to the Indenture that have not been commingled with other funds which do

not constitute Remarketing Proceeds, and proceeds from the investment thereof; provided, that Remarketing Proceeds cannot include any moneys provided by the Issuer, the Borrower, a guarantor of the Bonds, if any, or any Person which is an "insider" (within the meaning of Title 11 of the United States Code, as amended) of the Issuer, the Borrower or any guarantor of the Bonds.

"Replacement Bonds" means, if the use of the book-entry system of the Securities Depository pursuant to the Indenture is discontinued, one or more Bond certificates in principal amounts corresponding to the identifiable beneficial owners' interests in the Bonds pursuant to the records of the Securities Depository.

"Reserved Rights" means the Issuer's rights to payment or reimbursement of its fees, costs and expenses and arbitrage rebate pursuant to the Financing Agreement and the Sublease, its rights of access under the Financing Agreement, its right to indemnification under the Financing Agreement, the Lease and the Sublease, its rights to exemption from liability under the Financing Agreement, its rights to receive notices, reports and other statements and its right to consent to certain matters under the Bond Documents.

"Revenue Fund" means the fund by that name created in the Indenture.

"Revenues" means the amounts pledged under the Indenture to the payment of principal of, premium, if any, and interest on the Bonds, consisting of the following: (i) all income, revenues, proceeds, rent and other amounts, to which the Issuer is entitled, derived from the Borrower from or in connection with the Project (except the Reserved Rights), including all scheduled payments under the Financing Agreement, payments received on the Credit Facility and all receipts of the Trustee credited under the provisions of the Indenture against said amounts payable, and (ii) moneys held in the Funds and Accounts, together with investment earnings thereon, other than moneys in the Rebate Fund and arbitrage rebate not deposited therein and funds held for the payment of specific Bonds pursuant to the Indenture or amounts held in the Principal Reserve Fund or the Purchase Fund.

Principal Reserve Payments do not constitute Revenues under the Indenture.

"Securities Depository" means The Depository Trust Company, New York, New York, or any successor Securities Depository appointed pursuant to the Indenture.

"Semiannual Mode" means an Interest Mode during which the interest rate on the Bonds is determined at six-month intervals, except that the first period will be from the Interest Mode Adjustment Date to, but not including, the next Rate Adjustment Date.

"SIFMA Municipal Swap Index" means The Securities Industry and Financial Markets Association (SIFMA) Municipal Swap Index as disseminated by Municipal Market Data, a Thomson Financial Services Company, or its successor, weekly, generally Wednesday, and is effective as of the immediately succeeding Thursday for the period until the SIFMA Municipal Swap Index is recalculated and becomes effective (generally through the following Wednesday).

"Standard & Poor's" means Standard & Poor's, A Division of McGraw-Hill, Inc., a corporation organized and existing under the laws of the State of New York, its successors and assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, Standard & Poor's shall be deemed to refer to any other nationally recognized securities rating agency designated by the Borrower, with the prior written approval of the Credit Facility Provider, by written notice to the Trustee and the Issuer.

"State" means the State of Kansas.

"Sublease" means the Sublease Agreement dated as December 1, 1999, as amended by the First Amendment to Sublease Agreement dated as of March 1, 2016, between the Borrower and the Issuer, as amended or supplemented from time to time.

"Substitution Date" means March 16, 2016.

"Supplemental Indenture" means any indenture supplemental or amendatory to the Indenture entered into by the Issuer and the Trustee pursuant to the Indenture.

"Tax Agreement" means the Tax Compliance Agreement dated as of March 1, 2016, among the Issuer, the Trustee and the Borrower, as amended, supplemented or restated from time to time.

"Tender Agent" means initially the Trustee, and any successor tender agent appointed pursuant to the Indenture. The Tender Agent shall act as Paying Agent as to Tendered Bonds.

"Tender Date" means (a) each date designated by a Bondowner for purchase of any Bonds in accordance with the provisions of the Indenture, and (b) each date on which Bonds are required to be tendered in accordance with the provisions of the Indenture, including any Mandatory Purchase Date, whether or not such Bonds are actually tendered (see "TENDER AND PURCHASE OF BONDS").

"Tender Price" means 100% of the principal amount of any Tendered Bond plus interest accrued and unpaid thereon to, but not including, the Tender Date.

"Tendered Bonds" means (a) any Bonds tendered by a Bondowner for purchase pursuant to the Indenture, and (b) any Bonds required to be tendered for purchase pursuant to the Indenture, unless a proper waiver has been made by the Owner of such Bonds, in each case whether or not such Bonds are actually tendered.

"Termination Date" means (i) if the Credit Facility is not a letter of credit, the maturity or expiration date of the Credit Facility or, if such day is not a Business Day, the next preceding Business Day, or (ii) if the Credit Facility is a letter of credit, the last Interest Payment Date which is at least five days preceding the date on which the Credit Facility is to expire or terminate pursuant to its terms, in each case including any extension of such maturity or expiration date.

"Trust Estate" means the Trust Estate described in the granting clauses of the Indenture.

"Trustee" means UMB Bank, N.A., in its capacity as Trustee under the Indenture, and any co-trustee or successor or permitted assignee trustee appointed, qualified and then acting as such under the provisions of the Indenture.

"Unavailable Moneys Account" means the account by that name in the Revenue Fund created pursuant to the Indenture.

"Undelivered Bonds" means Bonds which are deemed to have been tendered to the Trustee or Tender Agent, as applicable, for purchase pursuant to the Indenture but which have not been surrendered to the Trustee or Tender Agent, as applicable.

"Weekly Mode" means an Interest Mode during which the interest rate on the Bonds is determined in weekly intervals, except that the first period will be from the Interest Mode Adjustment Date to, but not including, the next Rate Adjustment Date.

"Written Request" with reference to the Issuer means a request in writing signed by the Authorized Issuer Representative and with reference to the Borrower means a request in writing signed by the Authorized Borrower Representative.

Appendix D

COPY OF ORIGINAL OPINION OF BOND COUNSEL

[See attached]

City of Mission	Item Number:	2b.
ACTION ITEM SUMMARY	Date:	January 29, 2016
Administration	From:	Brian Scott

Action items require a vote to recommend the item to full City Council for further action.

RE: Development Agreement Between the City of Mission, Kansas and Whispering Falls, LLC Relating to the Restructuring of Previously Issued Multifamily Housing Revenue Refunding Bonds (The Falls Apartments Project) Series 1999.

RECOMMENDATION: Approve the development agreement between the City of Mission, Kansas and Whispering Falls, LLC relating to the restructuring of previously issued Multifamily Housing Revenue Refunding Bonds (The Falls Apartments Project) Series 1999.

DETAILS: Whispering Falls, LLC, the ownership group of The Falls apartment complex at 6565 Foxridge, has made a request of the City to approve the restructuring of approximately $9.35 million in Multifamily Housing Revenue Refunding Bonds first issued in 1999.

The restructuring of the original financing will allow Whispering Falls, LLC to utilize an Alternate Credit Facility Provider and to extend the maturity date of the bonds by additional five years. These actions will provide the ownership group with approximately $800,000 in funds that will be used to further rehabilitate the property.

The credit substitution and extension of the maturity date will require amendments to the agreements that documented the original financing arrangement, which must be approved by the City. The property owner will be responsible for all costs associated with the restructuring; and as with the original issue, the restructuring does not create any financial liability or obligation for the City.

As a condition of the City's approval, Whispering Falls, LLC has agreed to 1) remit a fee of $50,000 to the City to complete the transaction, 2) to complete the additional rehabilitation within a stipulated timeframe, and 3) to cooperate with the City in providing necessary easements when Foxridge is reconstructed in a few years. This is stipulated in the accompanying development agreement between the City and Whispering Fall, LLC.

Representatives of Whispering Falls, LLC will be present at the Finance & Administration Committee to further expound upon their request and answer any questions. Gary Anderson of Gilmore & Bell, the City's Bond Counsel, will also be present.

Related Statute/City Ordinance:	NA
Line Item Code/Description:	NA
Available Budget:	NA

DEVELOPMENT AGREEMENT

THIS **DEVELOPMENT AGREEMENT** (this "Development Agreement") is made and entered into as of March 1, 2016, between the **CITY OF MISSION, KANSAS,** a municipal corporation of the State of Kansas (the "Issuer") and **WHISPERING FALLS, L.L.C.**, a Kansas limited liability company (the "Borrower").

RECITALS:

1. The Issuer is authorized under the provisions of K.S.A. 12-1740 to 12-1749d, inclusive, and K.S.A. 10-116a, as amended (the "Act"), to purchase, acquire, construct, improve and equip certain facilities within its jurisdiction for industrial purposes, to enter into leases and lease-purchase agreements with any person, firm or corporation for said facilities, to issue revenue bonds for the purpose of paying the cost of any such facilities, to pledge the income and revenues to be derived from the operation of such facilities to secure the payment of the principal of and interest on such bonds and to refund its outstanding bonds by the issuance of its refunding bonds.

2. Pursuant to the Act, the Issuer refinanced a 435-unit multifamily housing facility known as The Falls Apartments located in Mission, Kansas (the "Project") by the issuance of its $9,350,000 Multifamily Housing Revenue Refunding Bonds (The Falls Apartments Project) Series 1999 (the "Bonds").

3. The Bonds were issued pursuant to the Trust Indenture dated as of December 1, 1999 (the "Original Indenture") between the Issuer and State Street Bank and Trust Company of Missouri, N.A., predecessor to the Trustee. The proceeds of the Bonds were loaned to Whispering Falls, L.L.C., a Kansas limited liability company (the "Borrower") pursuant to the terms and provisions of the Financing Agreement dated as of December 1, 1999 (the "Original Financing Agreement") among the Issuer, State Street Bank and Trust Company of Missouri, N.A., predecessor to the Trustee, and the Borrower.

4. In connection with the issuance of the Bonds, Fannie Mae (the "Original Credit Facility Provider") agreed to facilitate the refinancing of the Project by providing credit enhancement and liquidity support for the Bonds pursuant to, and subject to the limitations of, a Collateral Agreement dated December 8, 1999 (the "Collateral Agreement"), between Fannie Mae and the Trustee.

5. The Original Indenture and the Original Financing Agreement provide that the Borrower may cause the delivery of an Alternate Credit Facility.

6. Pursuant to the Original Indenture and the Original Financing Agreement, the Borrower has exercised its right to provide an Alternate Credit Facility to secure the Bonds on March 15, 2016 (the "Substitution Date").

7. To provide for credit enhancement and liquidity for the Bonds, the Borrower is causing U.S. Bank National Association (the "Credit Facility Provider") to deliver an irrevocable direct-pay letter of credit (the "Credit Facility") as an Alternate Credit Facility (within the meaning of the Original Indenture) on the Substitution Date.

8. In connection with the delivery of the Credit Facility the Original Indenture is being amended and restated pursuant to the Amended and Restated Trust Indenture dated as of March 1, 2016 (the "Indenture") between the Issuer and the Trustee, and the Original Financing Agreement is being amended and restated pursuant to the Amended and Restated Financing Agreement dated as of March 1, 2016 (the "Financing Agreement"), among the Issuer, the Borrower and the Trustee.

9. In connection with the issuance of the Bonds and in order to satisfy the requirements of the Act, the Issuer purchased a leasehold interest in the Project from the Borrower pursuant to the Base Lease Agreement dated as of December 1, 1999, recorded in the real estate records of Johnson County, Kansas at Book 6411 and Page 157, and the Issuer subleased the Project to the Borrower pursuant to the Sublease Agreement dated as of December 1, 1999 (the "Original Sublease," as amended by this Development Agreement and as further amended, modified or restated from time to time, the "Sublease.

10. The Issuer and the Borrower desire to enter into this Development Agreement in connection with the Indenture and Financing Agreement.

NOW, THEREFORE, in consideration of the premises and the mutual representations, covenants and agreements herein contained the Issuer and the Borrower represent, covenant and agree as follows:

SECTION 1. Definitions. All words and terms defined in Section 101 of the Indenture shall have the same meaning in this Development Agreement unless otherwise defined herein.

SECTION 2. Borrower Agreements. In consideration of the Issuer's participation in the transaction, the Borrower agrees to:

(a) pay to Issuer at closing an administrative fee of $50,000 and pay all other costs of issuance related to the Bonds and the transactions related to the Bonds;

(b) complete improvements to the Project in an amount not less than $820,000 by December 31, 2016 as set forth in **Exhibit A** attached hereto and to provide to the City written evidence of such improvements; and

(c) work in good faith with the Issuer regarding the proposed design for reconstruction of Foxridge Drive that is adjacent to the Project and to grant reasonable construction and permanent easements to the Issuer for such project.

SECTION 3. Severability. If any provision of this Development Agreement shall be held or deemed to be or shall, in fact, be illegal, inoperative or unenforceable, the same shall not affect any other provisions hereof or render the same invalid, inoperative or unenforceable to any extent whatsoever.

SECTION 4. Counterparts. This Development Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 5. Governing Law. This Development Agreement shall be governed by and construed in accordance with the laws of the State of Kansas.

SECTION 6. Electronic Transactions. The transactions described herein may be conducted and related documents may be sent, received or stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

[*remainder of this page intentionally left blank*]

IN WITNESS WHEREOF, the Issuer and the Borrower have executed this Development Agreement by their duly authorized signatories, all as of the date first written above.

CITY OF MISSION, KANSAS

By: _____
Name: Steve Schowengerdt
Title: Mayor

(SEAL)

Attest:

_____
Name: Martha Sumrall
Title: City Clerk

WHISPERING FALLS, L.L.C., a Kansas limited liability company

By: OCF ASSOCIATES, L.L.C., a Kansas limited liability company, Manager

By: PFF, Inc., a Kansas corporation, Member

By: _____
Name: Paul Fingersh
Title: President

EXHIBIT A

7905-A0 Balcony/Patio/Basement/Stairs	10,000
7925-A0 Clubhouse/Office Remodel	200,000
7927-A0 Consulting Fees	25,000
7935-A0 Drives/Walks	15,000
7955-A0 Landscaping/Irrigation	150,000
7962-A0 Lighting - Exterior	15,000
7977-A0 Perimeter Fence	5,000
7983-A0 Roofs	65,000
7989-A0 Swimming Pool / Hot Tub	225,000
7991-A0 Recreational Amenities	110,000
Total Rehab Expenditures	**820,000**

City of Mission	Item Number:	6a.
ACTION ITEM SUMMARY	Date:	January 29, 2016
Community Development	From:	Emily Randel

Action items require a vote to recommend the item to full City Council for further action.

RE: ArtsKC Rotating Artwork

RECOMMENDATION: Approve exhibition agreement with ArtsKC to display rotating artwork at the Sylvester Powell, Jr. Community Center for an amount not to exceed $1,500.

DETAILS: The ArtsKC "Now Showing" program allows metro-area artists to display their work on a rotating basis in local businesses. The Redwood Group and ScriptPro, Inc. participate in the program in Mission along with over 50 other businesses in the Kansas City area. The program allows working artists to display their work in public spaces and provides interesting and varied artwork to the hosting facilities at a relatively low cost.

An annual membership for the program costs $1,500 per location. The Community Center and City Hall would require separate memberships. A membership would include approximately 12-15 objects displayed per quarter. The City may choose which artist's work to display each quarter. If membership is approved, Mission might consider using a small committee to make those artist selections. If the City would like to use the display space for something else such as the Mission art show held at the Community Center in past years, the "Now Showing" program may be suspended for a quarter and brought back when the display space is available again. The cost for the annual membership would remain the same.

The three month rotation can begin at any time, and an annual membership would be renewed on that schedule. The artwork is for sale, but sales are handled directly between the interested buyer and the artist. The City would not receive any commission on the sales. The price of each piece will be displayed and the artist's contact information will be made available to the public. The City is responsible for any damage that occurs to the art while it is on display, but the City's current insurance policy includes coverage for art work up to $10,000 per item.

With the start of each new rotation, there will be opportunities for additional promotion of the City and the Community Center. Both ArtsKC and the individual artists will encourage guests to come view the art, bringing more foot traffic and exposure to Mission from around the region.

Following discussion at the committee meeting, the recommendation has been updated to include one annual membership for artwork at the Community Center only at a cost of $1,500.

Related Statute/City Ordinance:	N/A
Line Item Code/Description:	01-07-213-02 Rentals and Leases (City Hall) 01-27-204-01 Marketing/Public Relations (Community Center)
Available Budget:	01-07-213-02 $10,000 01-27-204-01 $30,000

City of Mission	Item Number:	6b.
ACTION ITEM SUMMARY	Date:	January 29, 2016
Department	From:	Chief Ben Hadley

Action items require a vote to recommend the item to full City Council for further action.

RE: Purchase of the Lexipol Digital Law Enforcement policy manual system.

RECOMMENDATION: Authorize the purchase of the Lexipol Digital Law Enforcement policy manual system at an annual cost subscription cost of $8,862 and an additional, one-time cost of $3,950 for an agency specific implementation plan.

DETAILS: For several years, the Mission Police Department has used a program called Power DMS to support the management and distribution of the departmental standard operating policies and procedures. We currently maintain more than 91 policies and 7 regulations, which cover various aspects of law enforcement operations from pursuit policies to disciplinary guidelines. Maintaining a comprehensive, clear and updated set of policies and procedures is an important liability consideration for the Department and the City.

Although the program has worked well, it has limited functionality with respect to keeping the information readily accessible for officers, and for documenting officer review of policies and procedures. In addition, Power DMS did not provide support or regular status updates to ensure the policies and procedures were compliant with current law and best practices.

Staff began researching other systems in 2015. In particular, we were looking for options which would facilitate the process of updating our policies and procedures as needed as well as assisting with training on a regular basis. Our research indicated that several of the surrounding cities have, or are planning to, start using Lexipol's digital Law Enforcement policy system. Lexipol provides the following services/benefits:

- Policy Manual Development - Lexipol has created policy content that is specific to Federal and State law. The system comes with 150 policies based on federal standards and state law, regulatory actions and best practices.
- Risk Management Tools - Lexipol has established a unique set of risk management tools for public safety agencies by integrating agency-specific, customized policy manuals with the Daily Training Bulletin service.

While Lexipol is more expensive than the current service, we believe the benefits and additional protections are worth the investment for the Department. We will phase out our subscription to Power DMS after we fully transition to the new Lexipol software. In addition to the annual cost of $8,862.00, we recommend purchasing the Silver Implementation Service at a one-time cost of $3,950. This provides a two-way, cross-reference report of our current policies with Lexipol content, allows for Lexipol staff to create a transition plan to ensure a seamless implementation.

Related Statute/City Ordinance:	
Line Item Code/Description:	01-30-212-06 Service Contracts
Available Budget:	$50,000

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KANSAS
LAW ENFORCEMENT

POLICY MANUAL &
DAILY TRAINING BULLETINS
AND
IMPLEMENTATION SERVICE

Presented to:

MISSION POLICE DEPARTMENT

Proposal Updated: December 21, 2015

Lexipol
6B Liberty, Suite 200
Aliso Viejo, California 92656
949.484.4444
www.lexipol.com

Karen James
Senior Account Executive
949-325-1230
kjames@lexipol.com

Proposal Good Through: February 5, 2016

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December 21, 2015

Chief Ben Hadley
Mission Police Department
6090 Woodson
Mission, Kansas 66202

Chief Hadley,

Thank you for the opportunity to propose our Law Enforcement Policy Manual and integrated Daily Training Bulletin service to your department. Our goal is to help our clients successfully face the evolving challenges in the world of public safety. Lexipol provides clear benefits in terms of managing, disseminating and archiving your agency's policies and training records. Agencies that adopt our policy subscription service have clear, effective policy manuals that reflect the true values and policing philosophy of their agency.

Lexipol is uniquely qualified to provide our Policy Manual and Daily Training Bulletin service to your agency. Since 2003, our proven policy and training solutions have helped public safety agencies across the country reduce risk and avoid litigation. Lexipol provides a highly cost-effective model and powerful, easy-to-use web-based tools that will support your department with:

- Policies that reflect up-to-date, applicable industry standards and best practices;
- Customized content for the state of Kansas;
- Daily scenario-based training that reinforces agency approved policies and procedures;
- Regular updates to agency policies and procedures as statutes, case law, and regulations change.

Thank you again for your interest in Lexipol.

Sincerely,

LEXIPOL, LLC

Karen James
Senior Account Executive
949.325.1230

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LEXIPOL OVERVIEW

Policy Manual Development: Lexipol has created policy content that is specific to federal and to Kansas state law. This "master" content can then be customized by your agency. Your agency is prompted through interactive online software to develop policies standardized with regulatory requirements yet customized to the agency's unique mission, philosophy and resource availability. The proprietary software allows efficient and accurate generation of a draft version of the manual from an online questionnaire.

Daily Training Bulletin Component: The training component consists of Lexipol's Daily Training Bulletins. These give your department the ability to train and test employees on its policies and procedures. The DTBs consist of a brief scenario illustrating realistic circumstances officers typically encounter. Each scenario is linked to a policy, which puts the policy in an operational context and helps sworn personnel understand why the policy exists and how it applies to their daily tasks. The DTB system includes a brief test, which the officer must pass to be credited with the DTB training. Your policy administrator will receive DTB packages (via email) monthly, with each bulletin linked to a current policy. Your agency will also have the ability to create their own customized DTBs in the Lexipol system as you identify areas that require additional training.

Lexipol's DTB training component allows you to track its training by officer, topic or policy. This information is archived electronically and can be produced immediately for current reports, or retrieved years later, thereby providing significant litigation and administrative support.

Unique Qualifications: Lexipol has established a unique set of risk management tools for public safety agencies by integrating agency-specific, customized policy manuals with the Daily Training Bulletin service. The Lexipol policy and training system has helped public safety agencies throughout Kansas and the country, reduce risk and stay ahead of litigation trends, while at the same time communicating clear and concise policy guidance to their employees.

Proprietary System and Tools: Approximately 150 policies based on federal standards and state statutes and case law, regulatory actions, and law enforcement best practices are available with our intuitive tool set. Your agency has full editing capability to customize the manual to reflect your agency's mission and philosophy. Our system identifies the origin of the content and its relative importance. The final product is a professional, well organized, easy-to-read manual online in Lexipol's Knowledge Management System and in hard copy. **There is no other system in the nation that incorporates all of these features at affordable annual subscription rates**.

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Updates: Lexipol provides regular updates in response to legislative mandates, case law and evolution in best practices. We also provide client alerts in response to precedent-setting court decisions or events that call for immediate changes to policy. **These updates can be customized by your agency to reflect your agency's mission and philosophy.**

Adaptability: Our clients range from one to 3,500 sworn personnel and include municipal police departments, county sheriff offices, county district attorney offices, port police, probation departments, school district and university police, tribal police, state regulatory, fire and law enforcement agencies, federal agencies and military agencies.

Scale: Over 2,000 public safety organizations representing more than 100,000 law enforcement and fire personnel in 28 states use the Lexipol system. Our subscriber base is one of the largest private networks of public safety policy collaborators in the nation.

Archiving: Each version of your manual is archived on the Lexipol system. This is an invaluable resource in defense litigation or personnel matters that call for authenticated copies of policy or training records years after an incident.

Cost Effective Development: Most small to mid-sized agencies assign one officer to update and maintain their policy manual, which can consume 50% to 80% of the officer's time.

A typical officer does not have the experience or resources to translate statutes, case law and emerging trends into usable, defensible policy in patrol, investigations, traffic, property, custody or personnel. At Lexipol we proactively do this work for you, typically at less than 5% of the cost of an officer.

Ready Access: Many agencies describe their pre-Lexipol policy system as convoluted, reactive and not serving the agency well. Their employees have trouble accessing the policy system because the documents are contained in disparate silos of information.

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Policy Training: The integrated Daily Training Bulletin component is a customized, scenario-based daily training program that links directly to the policy manuals. The Daily Training Bulletin program is standardized, verifiable, realistic, and ongoing training that links directly to your policy manual. Archiving of training records provides verifiable evidence of achieving specific learning objects.

Accreditation Feature: The Lexipol system is an excellent complement to those agencies seeking to obtain or maintain accreditation. The Lexipol system addresses the vast majority of accreditation requirements, but maintains flexibility with its customization features in order to stay current with court decisions and agency-specific changes.

Lexipol has a unique *accreditation feature*—a specialized system which allows mapping specific accreditation requirements within Lexipol policy sections and subsections. Agencies seeking to meet accreditation requirements simply activate this feature, and are able to add any accreditation standard that applies to that section. When used in conjunction with Lexipol's easy-to-use editing tools, agencies can update policies to meet accreditation standards at their discretion.

Lexipol's accreditation feature also aids in making the accreditation process easier with its reporting abilities. Reports can be quickly and accurately created to reflect current policy compliance with specified accreditation standards.

Training Support: Your assigned policy administrators may attend any and all online training sessions (which can be repeated as many times as necessary):

1. Knowledge Management System (KMS) Training – which is your portal for policy editing and development and
2. Project Management session – which will introduce your Policy Manager to the Lexipol Electronic Client Toolkit (ECT) and the Project Management Guide (PMG).

Our Project Management Guide and Electronic Toolkit are included in the Lexipol subscription fee, and will aid your agency in completing your manual in a timely fashion. Our Project Management Guide provides tips and guidelines on how to achieve this goal. The Electronic Toolkit contains a couple of "best practices" examples that may give your agency some ideas as to how others have implemented the manual.

Our Program Development and Customer Service teams are also available throughout the development process to provide guidance and answer questions.

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Proposal 2016
MISSION POLICE DEPARTMENT
Law Enforcement Policy Manual & Daily Training Bulletins
Based on 29 full-time sworn personnel

Law Enforcement Policy Manual & Daily Training Bulletins

Annual Subscription Fee - ***$8,862** (This fee includes all development tools, policy updates, Daily Training Bulletins, Lexipol Forum*). *Includes 5% KACP discount.*

Lexipol Policy Manual and Daily Training Bulletin subscription service includes:

- Lexipol **Kansas Law Enforcement Policy Manual** (150+ policies), accessed through Lexipol's web-based Knowledge Management System (KMS);
- Editing and customization tools;
- Regular policy updates in response to legislative mandates, case law and evolution in best practices;
- Daily Training Bulletins;
- Archiving and reporting capabilities;
- Accreditation feature;
- Training and customer service support;
- Lexipol Forum

Optional Services

Supplemental Publication Service (Optional) - ***$0** Year 1 with purchase of Implementation Service. (Billed annually – This fee includes access to this system where you can store additional department-specific procedures and link them directly to your policies). **$1,085 without purchase of implementation service and annual beginning in Year 2.*

Implementation Services

Silver Implementation Service (Optional) – **$3,950** One-time fee billed at a flat rate.
Existing Content Cross-Reference and Agency-Specific Implementation Plan
See attached Mission Police Department **Implementation (Silver) Proposal / Scope of Work** for details

OR

Platinum Implementation Service (Optional) **$37,500 +/- Time and Materials Estimate** (250 hours+/- @ $150 per hour – Time & Materials, based on current 300-400pp policy manual).
Flat rate quote is available upon request and review of current agency policies.
See attached Mission Police Department **Full Implementation (Platinum) Scope of Work** for details.

Note: *"Gold" Level Implementation would be a customized program based on your agency's unique needs and would be agreed upon rate somewhere between the Silver and Platinum level.*

Proposal valid through: February 5, 2016

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Mission Police Department
Silver Implementation Proposal / Scope of Work

$3,950 (One time flat-rate) includes work performed by Lexipol as noted in items 1 & 2 below:

1. Existing Content Cross-Reference

a. Provides a two-way cross-reference report of Agency's existing policy content compared to the Lexipol policy content.
b. Provides one-on-one review with Agency to discuss the cross-reference report
c. Provides a basic Implementation Plan on how to use the cross-reference and how to integrate existing content with Lexipol's content

2. Agency-Specific Implementation Plan

a. Provides a custom, agency-specific Implementation Plan, focusing on how to implement Lexipol content efficiently and manage a collaborative workgroup
b. Provides an agency-specific Project Management Guide and project kickoff presentation webinar
c. Provides background on Lexipol policy structure, writing style, and editing guidelines
d. Identifies the policy approval process and workflow
e. Provides a customized project status tracker
f. Provides a Project Calendar and implementation timetable.

Additional (Optional) Implementation Support

All items below will be billed monthly on a time/materials basis (typical approximate time expenditure shown below), at a rate of $150/hour. All billable hours to be approved-of, in advance and in writing, by agency head or his/her designee, prior to work being performed by Lexipol.

- Access to Lexipol's online secure collaborative workspace/database (eRoom)
  - Database design, personnel training: typically 2-3 hours upon project commencement
  - Database maintenance: ongoing during project, typically 2 hours/month for duration of project
- Online collaborative support of 1-2 hours/week, focusing on:
  - Policy editing to meet Agency's specific structure and needs
  - Agency in-house policy review schedule, and adherence to that schedule
  - Maintaining Lexipol style and structure during content editing
  - Proper integration of existing content
  - Efficient utilization of agency subject matter experts
  - General policy-related questions

    - Occasional collaboration on difficult or complicated polices, at Agency's request.
- Assimilation of policy manual in Lexipol's KMS
    - Includes data entry and hyperlinks to procedure manual, as appropriate
- Assembly of procedure manual in Supplemental Publication Shell within Lexipol's KMS
    - Includes data entry and hyperlinks to policy manual, as appropriate.
    - Typically 15-20 hours, as project nears completion
- Assembly of policy manual within Lexipol's KMS
    - Includes data entry and hyperlinks to procedure manual, as appropriate.
    - Typically 25-30 hours, as project nears completion
- Quality assurance and copy edit proof
    - Review of Agency policy and procedure manuals by Lexipol's team of copy editors—the same ones that review all of our published content
    - Review for spelling, grammar, punctuation, style, formatting
    - Occurs prior to content publication and after agency final review/approval
    - Lexipol will make no substantive changes to policy or procedure content
    - Typically requires 12-24 hours for the policy manual, varies based upon customization level
    - Procedure manual proof time estimate varies depending on manual size

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Mission Police Department
Policy Implementation Scope of Service
Platinum Level (Full Service)

Lexipol provides customizable, state-specific law enforcement policy content and integrated policy training for over 2,000 public safety agencies in 25 states. Additionally, Lexipol offers project management assistance, hereafter referred to as Implementation Services, to facilitate customization of Lexipol's content to meet an agency's needs. While the scope of the implementation service may vary based upon specific agency needs and requirements, a typical implementation project comprises the following general steps:

Project development (<1% of total project hours)

- Lexipol will confer remotely with key agency members to establish:
  - Timelines for the policy implementation collaboration sessions
  - Composition of the agency collaboration work group team
  - Internal/external layers of review related to policy approval (e.g., legal, bargaining, departmental)
  - Protocols for proper installation and utilization of software necessary for the project

Project kickoff meeting (1% of total project hours)

- Lexipol Implementation Services members will meet, either via teleconference or in-person, with key agency stakeholders and provide a PowerPoint presentation outlining the project. The meeting will also serve to introduce you to your Lexipol policy implementation team and provide a question/answer session for project participants.

Review of your existing content (+/- 5-8% of total project hours)

- Lexipol will conduct an in-depth examination of your current policy-related existing content to determine if it will be merged with the new Lexipol content, replaced by the new Lexipol content or be incorporated into the new manual as a stand-alone policy or procedure.
- All existing content will be cross-referenced to Lexipol content and will be analyzed via spreadsheet. A reverse cross-reference will also be created.
  - During the policy implementation process, all existing content will be addressed in one of the aforementioned manners; such activities will be tracked and available for review, both during the project and as a post-project archive.

Lexipol policy implementation (+/- 80% of total project hours)

- Lexipol will employ online collaboration techniques for the policy implementation project, utilizing web-based software (e.g., GoToMeeting) for the sessions.
- Lexipol will provide a project manager to act as a facilitator during each collaboration session.
- The Lexipol project manager will work with the agency project manager to set:
  - Policy review schedule
  - Frequency of meetings
  - Scheduling of agency subject matter experts (SMEs) who will assist in the policy implementation on certain policies within their field of expertise
- Lexipol policies will be reviewed initially in the primary collaborative work group, then proceed to other layers of review (established at the project onset) for refinement and approval. Policies may return to a previous layer of review or work group based upon input from key stakeholders.
- Upon policy approval, Lexipol will finalize the policies within Lexipol's Knowledge Management System (KMS) and prepare them for publication.
  - The published policies will reside online in KMS and be made available to agency members.

Other policy and/or procedure implementation tasks (+/- 15% of total project hours)

- Lexipol will utilize the same methods outlined above on any existing agency content that is identified as having no analogous Lexipol content. These policies or procedures will be evaluated with the agency work group to determine their final disposition:
  - Added to the policy manual as a new, stand-alone policy, due to the content being necessary for proper agency function
  - Added as a stand-alone procedure

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THE LEXIPOL ADVANTAGE

Lexipol is America's leading provider of state-specific Law Enforcement Policy Content with integrated daily training

WHY PARTNER WITH LEXIPOL?

Law Enforcement is the government's most visible public agency. The best way to enhance your agency's reputation and increase respect is with sound, defensible, up-to-date policies coupled with daily policy training.

Lexipol is the only company that offers digital Law Enforcement policy manual management, regular policy updates, and certifiable daily training against policy.

Proven to Reduce the Number of Claims Paid

Lexipol's policy and training system has also been proven to reduce the number of claims paid. In a recent study, Lexipol users saw fewer litigated claims, when compared to pre-Lexipol implementation.

Custom Policy Content

Lexipol provides customizable, state-specific, web-based Law Enforcement Policy Manuals with an integrated training component to help police, sheriff, probation, state and federal agencies operate more efficiently and effectively. We provide comprehensive, defensible policies written by legal and public safety professionals.

Daily Training Bulletins

Lexipol's Daily Training Bulletins bring the manual into practice through real-life, scenario-based training exercises emphasizing high-risk, low frequency events. Completed and verified in less than ten minutes per day, Daily Training Bulletins may qualify for continuous training certification.

Implementation and Management Service

Lexipol's experienced team can assist with implementation of your Lexipol manual, freeing your personnel to focus on serving and protecting the community. Lexipol's team can also manage the administration of critical updates for your policy manual and manage your agency's Daily Training Bulletins. Lexipol's Implementation and Management services allow your agency to control and distribute policy and training while we do all the work.

To learn more, visit **www.lexipol.com** or call **949.484.4444**

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THE LEXIPOL ADVANTAGE

Comprehensive, Defensible Policy and Daily Training

Lexipol Value

- Lexipol provides more than 150 policies based on federal and state statutes, case law, regulations and law enforcement best practices.
- Lexipol experts constantly monitor major court decisions, legislation and emerging trends affecting law enforcement operations and provide policy updates in response.
- The Lexipol system will allow cross-referencing to any accreditation standard.
- Supervisors can track officer training using flexible reporting tools.
- Lexipol archives your department's policy manual and DTB records to provide an invaluable resource in defense litigation or personnel matters.
- Lexipol's policy and training components are 100% web-based. There is no software to purchase or maintain.
- Lexipol's DTB service provides comprehensive training to help law enforcement officers learn the content of the department policy manual and practical applications of the policies.
- Lexipol provides 360 scenario-based training bulletins annually that link directly to your policy manual.
- Your department can customize Lexipol's DTBs to address department-specific topics.
- DTBs are designed to be completed in about six minutes.
- Automated tools help ensure consistency between policy and training materials.
- More than 1,800 public safety organizations representing 100,000 law enforcement and fire personnel in 20 states use the Lexipol system.

69% FEWER LITIGATED CLAIMS

Two years post-Lexipol implementation, perhaps the most positive trend is that Lexipol users have 69% fewer litigated claims compared to pre-Lexipol implementation. And, the claims that are litigated have, on average, $7k paid out instead of $20k pre-Lexipol.

A Sheriff's Office in California had a pursuit that ended tragically, with the death of a deputy in an unmarked unit and a hostage trapped inside the suspect vehicle. The California Vehicle Code provides immunity for any death, injury or property damage caused by a suspect vehicle if the agency has a policy that conforms to the code requirements. This agency had its Lexipol policy manual in place as of April 10, 2002. The fatal pursuit occurred on April 22, 2002. This agency had immunity in what could have been a very expensive lawsuit.