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67. Non-Arbitrage Certificate dated January 1, 2007
68. Non-Arbitrage Certificate dated November 27, 2007

69. District's Closing Certificate dated January 1, 2007
70. District's Closing Certificate dated November 27, 2007
71. Form 8038-G for the \$135,000 Subordinated Notes.
72. Letter dated January 9, 2008 to Pat McDougell regarding Sales Tax Transfers by the Missouri Department of Revenue.
73. Appointment of Franklin Sears to the Board of Directors by Mayor Slay.
74. Letter to Michael Sullivan from UMB Bank, N.A. dated January 24, 2008 regarding Fiscal Agent Agreement.
- MISSING 75. Sales Tax Transfer Receipts from the Missouri Department of Revenue for February, March, and April.
- MISSING 76. Letter dated March 21, 2008 submitting the proposed budget of the District to the City of St. Louis.
77. Agenda for the May 14, 2008 meeting of the District's Board of Directors and Affidavit regarding posting of Agenda.
78. Resolution 2008-01: Ratifying the Minutes of the Meeting of the Board of Directors held on November 26, 2007.
79. Minutes of Meeting held on November 26, 2007.
80. Resolution 2008-02: Electing Officers.
81. Resolution 2008-03: Approving a Budget for Fiscal Year 2009.
82. Agenda for the October 31, 2008 meeting of the District's Board of Directors and Affidavit regarding Posting of Notice.
83. Resolution 2008-04: Ratifying the Minutes of the Meeting of the Board of Directors on May 14, 2008.
84. Minutes of Meeting Held on May 14, 2008.
85. Resolution 2008-05: Accepting and Approving Certificate of Reimbursable Costs Submitted by Loughborough Commons, LLC.
86. Certificate of Reimbursable Costs (\$7,500 plus accrued interest) dated October 31, 2008.
87. Resolution 2008-06: Authorizing the Issuance of a Subordinated Community Improvement Revenue Note, Series 2008 (\$7,500 plus accrued interest).

MISSING
88 thru 95

88. Consent of Manager of Loughborough Commons, LLC to Supplemental Indenture.
89. Second Supplemental Trust Indenture dated October 1, 2008.
90. Loughborough Commons Community Improvement District Tax-Exempt Subordinate Community Improvement Revenue Note Series 2008 (\$7,500 plus accrued interest).
91. Loughborough Commons Community Improvement District Amended and Restated Tax-Exempt Subordinate Community Improvement Revenue Note, Series 2007.
92. Purchaser's Letters of Representations dated October 31, 2008.
93. Non-Arbitrage Certificate dated October 31, 2008.
94. District's Closing Certificate dated October 31, 2008.
95. IRS Form 8038-6.

VOLUME III

96. Agenda for the May 14, 2009 Meeting of the District's Board of Directors and Affidavits regarding Posting of Notice.
97. Resolution No. 2009-01: Ratifying the Minutes of the Meeting of the Board of Directors on October 31, 2008.
98. Minutes of Meeting Held on October 31, 2008.
99. Resolution No. 2009-02: Electing Officers.
100. Resolution No. 2009-03: Approving a Budget for the Fiscal Year ending on June 30, 2010.
101. Minutes of Meeting of the District's Board of Directors Held on May 14, 2009.
102. Letter to City Register, City of St. Louis, dated October 18, 2009 enclosing the District's Annual Financial Report for the Fiscal Year ending June 30, 2009
103. E-mail to the Missouri Department of Economic Development dated October 27, 2009 with the District's 2009 Fiscal Year Annual Report
104. Letter dated February 22, 2010 submitting the proposed budget of the District for the Fiscal Year ending June 30, 2011 to the City of St. Louis
105. Agenda for the May 27, 2009 Meeting of the District's Board of Directors and Affidavits regarding Posting of Notice

**LOUGHBOROUGH COMMONS
COMMUNITY IMPROVEMENT DISTRICT**

Notice of Open Meeting of the Board of Directors

Notice is hereby given that the Board of Directors of Loughborough Commons Community Improvement District will conduct a meeting at 3:30 p.m. on Friday, October 19, 2007, at the offices of Greensfelder, Hemker & Gale, P.C., 10 South Broadway, Suite 2000, St. Louis, Missouri 63102, to consider and act upon the following:

1. Roll Call

2. Adoption of Resolution No. 2007-10, entitled:

A RESOLUTION OF THE LOUGHBOROUGH COMMONS COMMUNITY IMPROVEMENT DISTRICT RATIFYING THE MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS HELD ON SEPTEMBER 20, 2007

3. Adoption of Resolution No. 2007-11, entitled:

A RESOLUTION OF THE LOUGHBOROUGH COMMONS COMMUNITY IMPROVEMENT DISTRICT ACCEPTING THE RESIGNATION OF A DIRECTOR AND ACKNOWLEDGING HIS REPLACEMENT

4. Adoption of Resolution No. 2007-12, entitled:

A RESOLUTION OF THE LOUGHBOROUGH COMMONS COMMUNITY IMPROVEMENT DISTRICT AMENDING THE BYLAWS OF THE DISTRICT

5. Adoption of Resolution No. 2007-13, entitled:

A RESOLUTION OF THE LOUGHBOROUGH COMMONS COMMUNITY IMPROVEMENT DISTRICT AUTHORIZING THE ENGAGEMENT OF RUBINBROWN LLP TO PREPARE THE DISTRICT'S FINANCIAL STATEMENTS

6. New business.


7. Discussion regarding setting date, time and place for the next meeting of the Board of Directors.

Some members of the Board of Directors may participate by telephone or other electronic means. Any member of the public may observe and attend the meeting at the office identified above. Representatives of the news media may obtain copies of this notice by contacting: Tracy R. Ring c/o Greensfelder, Hemker & Gale, P.C., 10 South Broadway, Suite 2000, St. Louis, Missouri 63102, 314-516-2620. Persons with disabilities wishing to attend may contact Tracy R. Ring at the address and telephone number provided above prior to the meeting if accommodations are required.


AFFIDAVIT

State of Missouri)
) ss.
City of St. Louis)

I, Denise Coleman, Legal Counsel/Clerk to the Board of Aldermen of the City of St. Louis, Missouri, being first duly sworn, state and certify that the attached notice of the meeting of the Board of Directors of the Loughborough Commons Community Improvement District to be held at 3:30 p.m. on October 19, 2007, (1) was posted at least 24 hours prior to the commencement of the meeting on a bulletin board or other prominent place at St. Louis City Hall, 1200 Market Street, St. Louis, Missouri 63103, which is easily accessible to the public, and (2) was made available to any representative of the news media who requested notice of the meeting.


Denise Coleman,
Legal Counsel/Clerk to the Board of Aldermen
of the City of St. Louis, Missouri

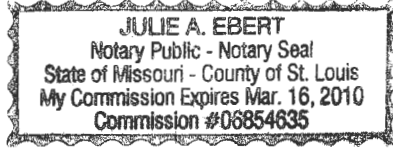
Subscribed and sworn to before me this 18th day of October, 2007.



Notary Public

(SEAL)

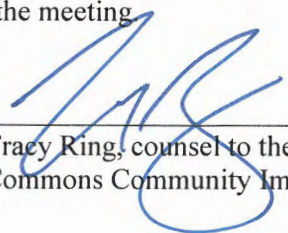
My commission expires:



AFFIDAVIT


State of Missouri)
) ss.
City of St. Louis)

I, Tracy Ring, counsel to the Loughborough Commons Community Improvement District, being first duly sworn, state and certify that the attached notice of the meeting of the Board of Directors of the Loughborough Commons Community Improvement District to be held at 3:30 p.m. on October 19, 2007, (1) was posted at least 24 hours prior to the commencement of the meeting on a bulletin board or other prominent place at the offices of Greensfelder, Hemker & Gale, P.C., 10 South Broadway, Suite 2000, St. Louis, Missouri 63102, which is easily accessible to the public, and (2) was made available to any representative of the news media who requested notice of the meeting.



Tracy Ring, counsel to the Loughborough
Commons Community Improvement District

Subscribed and sworn to before me this 18TH day of October, 2007.

(SEAL) 

KEVIN J. LUX
My Commission Expires
January 18, 2009
St. Louis County
Commission #05655108



Notary Public

My commission expires:

RESOLUTION NO. 2007-10

**A RESOLUTION OF THE LOUGHBOROUGH COMMONS COMMUNITY
IMPROVEMENT DISTRICT RATIFYING THE MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS HELD ON SEPTEMBER 20, 2007**

WHEREAS, pursuant to the Community Improvement District Act, Sections 67.1401 to 67.1571 of the Revised Statutes of Missouri, as amended (the "CID Act"), the City of St. Louis, Missouri (the "City") adopted Ordinance No. 67088 on May 17, 2006 (the "Ordinance"), establishing the Loughborough Commons Community Improvement District (the "District");

WHEREAS, pursuant to the Ordinance and the Petition signed by representatives of more than fifty percent per capital of all property owners within the District, the Mayor of the City appointed members of the board of directors of the District serving such terms as designated by the Mayor of the City;

WHEREAS, pursuant to Paragraph 8 of Article IV of the Bylaws of the District, the Board of Directors shall conduct all meetings of the Board of Directors in accordance with the Sunshine Law of the State of Missouri; and

WHEREAS, pursuant to Section 610.020.7 of the Revised Statutes of Missouri, the Sunshine Law requires that minutes of meetings be taken and retained by the District.

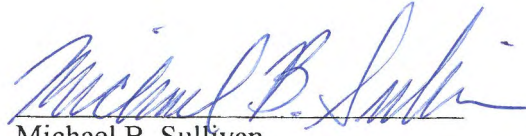
**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF
DIRECTORS OF THE LOUGHBOROUGH COMMONS COMMUNITY
IMPROVEMENT DISTRICT AS FOLLOWS:**

1. The Board of Directors of the District hereby ratifies the minutes of the meeting of the Board of Directors held on September 20, 2007 attached hereto as Exhibit A and directs the Secretary of the Board of Directors to attest to such minutes as ratified.
2. The Board of Directors of the District hereby directs that the minutes so attested and ratified be retained in the records of the District.
3. This resolution shall be in full force and effect from and after its adoption by the Board of Directors.

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This Resolution was adopted at the meeting of the Board of Directors of the District duly called and held on this date. This Resolution shall be filed by the Custodian of Records of the District with the minutes of the meetings of the Board of Directors.

Approved this 19th day of October, 2007.



Michael B. Sullivan,
Chairman of the Board of Directors

(SEAL)

ATTEST:



Michael L. Anthon,
Secretary of the Board of Directors

Exhibit A
Minutes of the September 20, 2007 Meeting of the Board of Directors

SEE ATTACHED

MINUTES

MEETING OF THE BOARD OF DIRECTORS OF THE LOUGHBOROUGH COMMONS COMMUNITY IMPROVEMENT DISTRICT

September 20, 2007

A meeting of the Board of Directors of the Loughborough Commons Community Improvement District ("District") was held at 10 South Broadway, Suite 2000, St. Louis, Missouri 63102, on Thursday, September 20, 2007, at 3:00 p.m.

1. Roll Call

The following members of the Board of Directors were present in person or via telephone conference and thereby constituted a quorum of the Directors:

Scott Sachtleben-joined late
Michael Sullivan
Karen Mills
Patricia McDougell
Michael Anthon

The following guest of the Board of Directors was present:

Tracy Ring
Brian McMaster
Steve Henson

2. Considerations and Resolutions

A. The matter of ratifying the Minutes of the May 17, 2007 meeting of the Board of Directors of the District came on for consideration and was discussed. After consideration and discussion by the Board, Director Sullivan moved for the adoption of Resolution No. **2007-07**, titled as follows:

A RESOLUTION OF THE LOUGHBOROUGH COMMONS COMMUNITY IMPROVEMENT DISTRICT RATIFYING THE MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS HELD ON MAY 17, 2007.

Director Anthon seconded the motion. Thereupon, the resolution was put to a roll call vote, and was passed by the following vote:

Aye: Michael Sullivan
Karen Mills
Patricia McDougell
Michael Anthon

Nay: None

Thereupon, the Chairman declared said Resolution duly passed and the Resolution was then signed by the Chairman and attested and certified by the Secretary.

B. The matter of rescinding certain prior resolutions of the District and reinstating certain prior resolutions of the District came on for consideration and was discussed. After consideration and discussion by the Board, Director McDougell made a motion for the adoption of Resolution No. **2007-08**, titled as follows:

A RESOLUTION OF THE LOUGHBOROUGH COMMONS COMMUNITY IMPROVEMENT DISTRICT RESCINDING CERTAIN PRIOR RESOLUTIONS AND REINSTATING CERTAIN PRIOR RESOLUTIONS OF THE DISTRICT.

Director Anthon seconded the motion. Thereupon, the resolution was put to a roll call vote, and was passed by the following vote:

Aye: Scott Sachtleben
Michael Sullivan
Karen Mills
Patricia McDougell
Michael Anthon

Nay: None

Thereupon, the Chairman declared said Resolution duly passed and the Resolution was then signed by the Chairman and attested and certified by the Secretary.

C. The matter of authorizing and adopting a financing agreement with the Industrial Development Authority of the City of St. Louis, Missouri and the City of St. Louis, Missouri came on for consideration and was discussed. After consideration and discussion by the Board, Director Sullivan made a motion for the adoption of Resolution No. **2007-09**, titled as follows:

A RESOLUTION OF THE LOUGHBOROUGH COMMONS COMMUNITY IMPROVEMENT DISTRICT AUTHORIZING AND ADOPTING A FINANCING AGREEMENT WITH THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF ST. LOUIS, MISSOURI AND THE CITY OF ST. LOUIS, MISSOURI.

Director McDougell seconded the motion. Thereupon, the resolution was put to a roll call vote, and was passed by the following vote:

Aye: Scott Sachtleben
Michael Sullivan
Karen Mills
Patricia McDougell
Michael Anthon

Nay: None

Thereupon, the Chairman declared said Resolution duly passed and the Resolution was then signed by the Chairman and attested and certified by the Secretary.

3. New Business

After consideration and voting on the above resolutions, the following new business matters came on for consideration: Community Improvement District (CID) Annual Report to the Department of Economic Development

4. Adjournment

There being no further business to come before the Board of Directors, upon motion duly made by Director Anthon, seconded by Director Sullivan and unanimously carried by the Board of Directors, the meeting was adjourned.



Michael Anthon, Secretary of the Board of Directors

RESOLUTION NO. 2007-11

**A RESOLUTION OF THE LOUGHBOROUGH COMMONS COMMUNITY
IMPROVEMENT DISTRICT ACCEPTING THE RESIGNATION OF A
DIRECTOR AND ACKNOWLEDGING HIS REPLACEMENT**

WHEREAS, pursuant to the Community Improvement District Act, Sections 67.1401 to 67.1571 of the Revised Statutes of Missouri, as amended (the "CID Act"), the City of St. Louis, Missouri (the "City") adopted Ordinance No. 67088 on May 17, 2006 (the "Ordinance"), establishing the Loughborough Commons Community Improvement District (the "District"); and

WHEREAS, pursuant to the Ordinance and the Petition signed by representatives of more than fifty percent per capital of all property owners within the District, the Mayor of the City appointed the members of the Board of Directors of the District serving such terms as designated by the Mayor of the City;

WHEREAS, Scott Sachtleben has resigned as a member of the Board of Directors; and

WHEREAS, pursuant to Paragraph 5 of Article III of the Bylaws of the District, a vacancy caused by resignation shall be filled by the Mayor of the City and confirmed by the Board of Aldermen of the City.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF
DIRECTORS OF THE LOUGHBOROUGH COMMONS COMMUNITY
IMPROVEMENT DISTRICT AS FOLLOWS:**

1. The Board of Directors of the District hereby accepts the resignation Scott Sachtleben as a member of the Board of Directors of the District dated October 15, 2007 to be effective upon the appointment of Scott Sachtleben's replacement and attached hereto as Exhibit A.

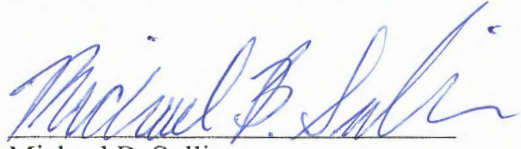
2. The Board of Directors hereby acknowledges the appointment of Franklin Sears as a member of the Board of Directors of the District effective upon appointment by the Mayor of the City.

3. This resolution shall be in full force and effect from and after its adoption by the Board of Directors.

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This Resolution was adopted at the meeting of the Board of Directors of the District duly called and held on this date. This Resolution shall be filed by the Custodian of Records of the District with the minutes of the meetings of the Board of Directors.

Approved this 19th day of October, 2007.



Michael B. Sullivan,
Chairman of the Board of Directors

(SEAL)

ATTEST:



Michael L. Anthon,
Secretary of the Board of Directors

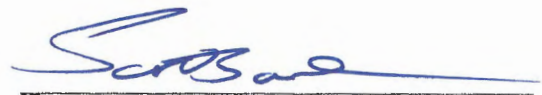
Exhibit A
Resignation of Scott Sachtleben

SEE ATTACHED

RESIGNATION

The undersigned, **SCOTT SACHTLEBEN**, hereby tenders his resignation as a member of the Board of Directors of **THE LOUGHBOROUGH COMMONS COMMUNITY IMPROVEMENT DISTRICT**, a political subdivision of the State of Missouri, effective upon the appointment of the undersigned's replacement director by the Mayor of the City of St. Louis, Missouri.

Dated: October 15, 2007.



SCOTT SACHTLEBEN

RESOLUTION NO. 2007-12

**A RESOLUTION OF THE LOUGHBOROUGH COMMONS COMMUNITY
IMPROVEMENT DISTRICT AMENDING THE BYLAWS OF THE DISTRICT**

WHEREAS, pursuant to the Community Improvement District Act, Sections 67.1401 to 67.1571 of the Revised Statutes of Missouri, as amended (the "CID Act"), the City of St. Louis, Missouri (the "City") adopted Ordinance No. 67088 on May 17, 2006 (the "Ordinance"), establishing the Loughborough Commons Community Improvement District (the "District");

WHEREAS, pursuant to the Ordinance and the Petition signed by representatives of more than fifty percent per capital of all property owners within the District, the Mayor of the City appointed the members of the Board of Directors of the District serving such terms as designated by the Mayor of the City; and

WHEREAS, pursuant to Article VII of the Bylaws of the District, the Board of Directors of the District has the power to amend the Bylaws of the District by a vote of the majority of the members of the Board of Directors.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF
DIRECTORS OF THE LOUGHBOROUGH COMMONS COMMUNITY
IMPROVEMENT DISTRICT AS FOLLOWS:**

The Board of Directors of the District hereby amends the Bylaws of the District as follows:

1. Paragraph 1 of Article IV of the Bylaws shall be deleted in its entirety and replaced with the following new Paragraph 1 of Article IV:

ARTICLE IV

MEETINGS

1. **Place.** Meetings of the Board of Directors of the District shall be held at the principal office of the District or at any other place within the City or the County of St. Louis, Missouri as may be determined from time to time by the Board of Directors.

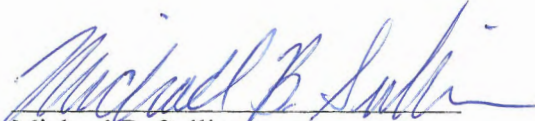
2. This resolution shall be in full force and effect from and after its adoption by the Board of Directors.

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This Resolution was adopted at the meeting of the Board of Directors of the District duly called and held on this date. This Resolution shall be filed by the Custodian of Records of the District with the minutes of the meetings of the Board of Directors.

Approved this 19th day of October, 2007.

(SEAL)



Michael B. Sullivan,
Chairman of the Board of Directors

ATTEST:



Michael L. Anthon,
Secretary of the Board of Directors

RESOLUTION NO. 2007-13

**A RESOLUTION OF THE LOUGHBOROUGH COMMONS COMMUNITY
IMPROVEMENT DISTRICT AUTHORIZING THE ENGAGEMENT OF
RUBINBROWN LLP TO PERFORM A COMPILATION OF THE DISTRICT'S
FINANCIAL STATEMENTS**

WHEREAS, pursuant to the Community Improvement District Act, Sections 67.1401 to 67.1571 of the Revised Statutes of Missouri, as amended (the "CID Act"), the City of St. Louis, Missouri (the "City") adopted Ordinance No. 67088 on May 17, 2006 (the "Ordinance"), establishing the Loughborough Commons Community Improvement District (the "District");

WHEREAS, pursuant to the Ordinance and the Petition signed by representatives of more than fifty percent per capital of all property owners within the District, the Mayor of the City appointed the members of the Board of Directors of the District serving such terms as designated by the Mayor of the City; and

WHEREAS, the Board of Directors of the District wishes to employ the accounting firm of RubinBrown LLP to perform a compilation of the District's financial statements.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF
DIRECTORS OF THE LOUGHBOROUGH COMMONS COMMUNITY
IMPROVEMENT DISTRICT AS FOLLOWS:**

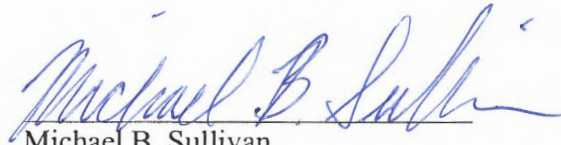
1. The Board of Directors of the District hereby authorizes Michael Sullivan in his capacity as Chairman of the Board of Directors of the District to execute on behalf of the District an engagement letter with the accounting firm of RubinBrown LLP, substantially in the form attached hereto as Exhibit A and incorporated herein as if fully set forth below for the compilation of the District's financial statements.

2. This resolution shall be in full force and effect from and after its adoption by the Board of Directors.

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This Resolution was adopted at the meeting of the Board of Directors of the District duly called and held on this date. This Resolution shall be filed by the Custodian of Records of the District with the minutes of the meetings of the Board of Directors.

Approved this 19th day of October, 2007.



Michael B. Sullivan,
Chairman of the Board of Directors

(SEAL)

ATTEST:



Michael L. Anthon,
Secretary of the Board of Directors

Exhibit A
Engagement Letter with RubinBrown LLP

SEE ATTACHED



October 16, 2007

Mr. Michael Sullivan
Loughborough Commons Community Improvement District
C/O Desco Group, Inc.
25 North Brentwood Boulevard
Saint Louis, Missouri 63105

Dear Mike:

We appreciate the opportunity to be of service to Loughborough Commons Community Improvement District ("Client"). This letter ("Letter") sets forth the services that RubinBrown LLP ("RubinBrown") will provide for you. In order to better understand each party's obligations, the terms "we", "us" and "our" refer to RubinBrown and the terms "you", "your" and "management" refer to Loughborough Commons Community Improvement District. Your engagement of RubinBrown shall be governed by the terms of this Letter and the attached RubinBrown Engagement Terms.

Scope of Services

We will compile your statement of revenues and expenditures, on the cash basis, for the period from inception through June 30, 2007 (the foregoing financial statements are collectively referred to as the "Financial Statement"). Except as specifically provided for herein, our responsibility for this engagement shall be limited to compiling the Financial Statement for the period of time set forth in the preceding sentence and does not include an audit or review of such statements.

Your Board of Directors and management are solely responsible for (i) the accuracy and completeness of the Financial Statements including the related footnotes, (ii) selecting sound accounting principles, (iii) maintaining adequate internal controls, (iv) preventing and detecting fraud, (v) adjusting the financial statements to correct material misstatements.

We will conduct our compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

Our services cannot be relied upon to detect errors, irregularities, employee or management dishonesty, fraud, embezzlement or other illegal acts (hereinafter collectively referred to as "Irregularities"). In performing our services, we will advise the appropriate level of management of any such Irregularities that come to our attention. However, you must understand that our services cannot be relied upon to detect such Irregularities. If you have concerns about such matters, please discuss them with us. It may be possible to design a special engagement to assist you in uncovering such Irregularities.

If, for any reason, we are unable to complete our compilation of your financial statements, we will not issue a report on such statements as a result of this engagement.

RubinBrown LLP
*Certified Public Accountants
& Business Consultants*

One North Brentwood
Saint Louis, MO 63105

T 314.290.3300
F 314.290.3400

W rubinbrown.com
E info@rubinbrown.com

As part of our engagement we may propose standard, adjusting, or correcting journal entries in connection with preparation of your financial statements and income tax returns. We will provide you with these proposed journal entries for your review and approval prior to issuing our report. You are responsible for reviewing the entries and understanding the nature of any proposed entries and the impact they have on the financial statements.

You are also responsible for management decisions and functions, and for designating a qualified management-level individual to oversee any bookkeeping, tax or other services we provide. You are responsible for evaluating the adequacy and results of the services performed and accepting responsibility for such services. You are responsible for establishing and maintaining internal controls, including monitoring ongoing activities.

Timing and Fees

Fees for our services will be based on the actual time expended at our billing rates in effect at the time the services are provided, plus out-of-pocket expenses incurred. If fees for the first year of services are anticipated to exceed \$5,000 we will seek your approval of such fees. We will keep you informed of our progress and work closely with you to structure our work to ensure that it is completed in a cost-effective and timely manner.

Invoices will be rendered monthly and presented to you for services performed in the prior month and are due and payable within 30 days of the date of the billing statement. We reserve the right to suspend or terminate further services until payment is received on all invoices that are not paid in full within 30 days of the date of the billing statement. In the event that we suspend or terminate this engagement as a result of non-payment, you agree that we will not be responsible for your failure to meet government or other filing deadlines, or for penalties or interest that may be assessed against you resulting from your failure to meet said deadlines. A 1% per month service charge will be added to balances remaining unpaid 60 days or more after the invoice date.

Fees for services requested other than those set forth in this Letter will be based on the actual time expended at our billing rates in effect at the time the services are provided, plus out-of-pocket expenses incurred.

Conflict of Interest

If, during the course of our engagement, we encounter circumstances we believe may create a conflict of interest or conflict with the ethical standards of our profession or our firm, we will inform you of our concerns. If these concerns cannot be adequately addressed to our satisfaction, or we are compelled to do so by professional standards, we may withdraw from the engagement.

Engagement Terms

Attached hereto is an additional statement of terms regarding our engagement titled, *RubinBrown, LLP ("RubinBrown") Engagement Terms* (hereinafter "RubinBrown Engagement Terms"). The RubinBrown Engagement Terms are hereby incorporated by reference and the contents of this Letter should be construed in accordance with the terms set forth therein, unless expressly stated

otherwise in this Letter. When construing or interpreting the contents of this Letter or the terms of our engagement, the RubinBrown Engagement Terms shall govern. To the extent any apparent or actual contradiction may exist, the RubinBrown Engagement Terms shall be deemed controlling and shall supersede any such statement contained herein, unless expressly stated otherwise in the provision or portion of this Letter at issue.

Conclusion

We appreciate the opportunity to be of service to you and believe that this Letter and the RubinBrown Engagement Terms set forth the terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this Letter and the RubinBrown Engagement Terms, please sign the enclosed copy and return it to us. By signing the enclosed copy of this Letter, you acknowledge that you have read, understood and agreed to the terms as set forth in this Letter and in the RubinBrown Engagement Terms.

THIS CONTRACT CONTAINS A BINDING ARBITRATION PROVISION WHICH MAY BE ENFORCED BY THE PARTIES.

Sincerely,

RubinBrown LLP



Richard R. Aselage, CPA
Partner
Direct Dial Number: 314.290.3456
E-mail: rick.aselage@rubinbrown.com

RRA:cjm

Enclosures

By signing below, the signatory further represents and warrants that she/he is authorized to approve the terms of this engagement on behalf of the Client.

Approved By: _____

Title: _____

Date: _____

RubinBrown LLP

ENGAGEMENT TERMS

These Engagement Terms (the "Terms") and the engagement letter (the "Letter") incorporating the Terms (the Terms and Letter are hereinafter collectively referred to as the "Agreement"), entered into by and between RubinBrown LLP ("RubinBrown") and Client, set forth the terms and conditions of RubinBrown's engagement with Client (the "Engagement"). These Terms shall also apply to any additional work that Client requests RubinBrown to perform unless a separate engagement letter is entered into by and between RubinBrown and Client for such additional work.

Agreed Upon Scope of Work. RubinBrown shall be obligated only for the services, work product and deliverables specified in the Letter, and only for changes in such scope that are set forth in writing and duly executed by the parties hereto. Unless expressly provided for in the Letter, RubinBrown's services do not include giving testimony, appearing or participating in discovery proceedings, administrative hearings, court, or other legal or regulatory inquiries or proceedings and, in the event RubinBrown later agrees to perform such services, RubinBrown will charge and Client shall pay RubinBrown's customary fee for such services.

Cooperation and Participation. While RubinBrown may from time to time suggest various options that may be available to Client and further give its professional evaluation of each of these options, Client must make the ultimate decision as to which, if any, of these options to implement. Client shall be solely responsible for applying independent business judgment with respect to RubinBrown's services, work product and/or deliverables (including decisions regarding implementation or other further course(s) of action) and shall be solely and exclusively responsible for such decisions. RubinBrown shall be entitled to rely on all decisions and approvals of Client (and its counsel). Although RubinBrown will endeavor to be alert to any incorrect or missing data and plans to apply its normal diligence in this regard, except as specifically provided in the Letter, RubinBrown shall be entitled to rely on the accuracy and completeness of all information provided by Client.

Access to Resources and Information. Unless specified herein as the responsibility of RubinBrown to provide, Client shall obtain for RubinBrown, on a timely basis, any internal and third-party permissions, licenses or approvals that are required for RubinBrown to perform the services contemplated hereunder (including the use of any necessary software or data). Client shall also provide RubinBrown with such information, signoffs and assistance as may be necessary for RubinBrown to perform the Engagement or as RubinBrown may reasonably request.

Record Retention. Pursuant to RubinBrown's record retention policy, at the conclusion of this Engagement, RubinBrown may retain copies of the records supplied to RubinBrown by Client and RubinBrown will return all such original records to the Client. The records and files retained by RubinBrown are RubinBrown's property and are not a substitute for the Client's own records. Client shall be responsible for retaining and maintaining records of its operations and records required to backup and support the Client's financial reports and tax returns. RubinBrown will destroy Client files and all pertinent work papers after a retention period of seven years, after which time these items will no longer be available. In addition, catastrophic events or physical deterioration may result in RubinBrown's records being unavailable.

Confidentiality. RubinBrown shall maintain the confidentiality of Client information, which is of a confidential nature, using the same degree of care it uses in maintaining its own confidential information. If access to, or disclosure of, any such confidential information in RubinBrown's possession is sought by a third party, RubinBrown will notify Client of such action, tender to Client any defense responding to such request, and cooperate with Client concerning RubinBrown's response thereto. In the course of providing professional services to Client in connection with this engagement, RubinBrown may require the assistance of third parties with specialized capabilities or expertise. RubinBrown enters into confidentiality agreements with such third party service providers to ensure that confidential information of its clients is fully protected from loss or misuse; moreover, RubinBrown has the right to review the practices and procedures of such third party providers to ensure compliance with the terms of those confidentiality agreements. In the event RubinBrown is unable to secure an appropriate confidentiality agreement, Client will be asked to provide its consent prior to the sharing of its confidential information with the third-party service provider.

Client shall at no time disclose any of RubinBrown's services, work product, deliverables and other confidential material, or RubinBrown's role in the Engagement, to any third party (except to a government agency, to the extent such filing is an agreed objective of the Agreement, or as otherwise legally compelled) without RubinBrown's prior written consent in each case. Client's use of RubinBrown's services, work product or deliverables hereunder (except for copies of filed tax returns) shall in any event be restricted to the stated purpose, if any, in the Letter and otherwise to Client's internal business use only. Client and RubinBrown each retains the right in any event to use the ideas, concepts, techniques, industry data and know-how used or developed in the course of the Engagement. Except as instructed otherwise in writing, each party may assume that the other approves of properly addressed fax, email (including email exchanged via Internet media) and voicemail communication of both sensitive and non-sensitive documents and other communications concerning the Engagement, as well as other means of communication used or accepted by the other.

Notwithstanding anything herein to the contrary, (i) no restriction in the Agreement is intended to be nor shall be construed as a condition of confidentiality as such term is used in IRC §§ 6011, 6111 and 6112 and the regulations thereunder or in §10.35 of IRS Circular 230, and (ii) Client has RubinBrown's authorization to disclose to any and all persons, without limitation of any kind, any entity, plan, arrangement or transaction (including every aspect thereof) with respect to which RubinBrown, in connection with the Agreement does or is required to introduce, recommend, give advice, or otherwise provide consultation or services, it being Client's duty to ascertain whether any further authorization is needed from any other person.

RubinBrown is required to comply with certain peer review requirements in order to maintain its professional licensing. In complying with these peer review requirements certain confidential information may be disclosed to the reviewer. These peer reviews are only conducted by other qualified professionals who are subject to maintaining the confidentiality of information disclosed in the course of the review. Client acknowledges that these confidential disclosures by RubinBrown are not a violation of RubinBrown's obligation to maintain the confidentiality of information.

Taxpayer Confidentiality Privileges: Use of Counsel. The parties acknowledge that certain documents and other communications involving and/or disclosed to or by RubinBrown may be subject to one or more claims of privilege by or on behalf of Client (e.g., the attorney-

client privilege, the IRC SEC 7525 tax advisory privilege, etc.). Although Client is solely responsible for managing the recognition, establishment and maintenance (e.g., possible waiver) of these possible protections (and for involving legal counsel as it deems necessary), RubinBrown shall cooperate with Client's reasonable written instructions regarding such privileges.

Management Dishonesty. While RubinBrown will advise Client if RubinBrown discovers errors or irregularities, Client understands and agrees that Client cannot rely on RubinBrown to detect employee or management dishonesty, including, without limitation, embezzlement, unless specifically set forth in the Letter.

External Factors; Standards of Performance. Client acknowledges that the Engagement will involve analysis, judgment and other performance from time to time in a context where the participation of Client or others is necessary, where answers are often uncertain or unverifiable in advance and where facts and available information change with time. Accordingly, evaluation of RubinBrown's performance of its obligations shall be based solely on its substantial conformance with any standards or specifications expressly set forth in the Agreement and all applicable professional standards, any such nonconformance (and applicability) to be clearly and convincingly shown. If there are any changes in the relevant laws, regulations, industry, market conditions or other circumstances, including in the Client's own business practices, RubinBrown has no responsibility to advise Client of any such changes and Client acknowledges the need for it to re-evaluate RubinBrown's preceding services, work product and deliverables. RubinBrown reserves the right, in whole or in part, to decline to perform certain tasks or withdraw from the Engagement entirely if information comes to RubinBrown's attention indicating that performing such tasks could cause RubinBrown to be in violation of any applicable law, regulations or standards, to be in a conflict of interest or to suffer reputational damage.

Limitation of Liability. The liability of RubinBrown (including its partners, employees, agents and affiliated companies) to Client for any claim or damages (including but not limited to incidental, special, exemplary, punitive or consequential), whether in contract, tort (including but not limited to RubinBrown's NEGLIGENCE, but excluding RubinBrown's gross negligence and intentional/willful torts), strict liability or otherwise, arising out of, connected with, or resulting from RubinBrown's services, work product or deliverables or the Engagement generally, shall not exceed all fees related to the Engagement paid by Client to RubinBrown, even if RubinBrown has been advised of the possibility of such claims or damages.

RubinBrown is an independent member of Baker Tilly International. Baker Tilly International Limited is a United Kingdom company. Each of the member firms is a separate and independent legal entity. Neither RubinBrown nor Baker Tilly International has any liability for each other's acts or omissions.

Indemnification. Client agrees to release, indemnify, and hold RubinBrown, its partners, officers, managers, personnel, agents, employees, affiliated companies, successors and assigns harmless from any liability and costs, including attorneys' fees, resulting from knowing misrepresentations by management of Client. Client's obligation to indemnify shall survive until such time as all claims against RubinBrown are legally barred under all applicable statutes of limitation.

Independent Contractor Status. Each party is an independent contractor with respect to the other and shall not be construed as having an employment, partnership, trustee or fiduciary relationship.

Assignments and Successors. Neither party may assign any of its rights or benefits under the Agreement without the prior written consent of the other party. Subject to the preceding sentence, the Agreement will apply to, be binding in all respects upon, and inure to the benefit of the permitted successors, assigns and legal representatives of the parties. Notwithstanding the foregoing, RubinBrown may authorize and allow its affiliates and contractors to assist in performing the Engagement and to share in RubinBrown's rights hereunder, provided any such party shall commit (as applicable) to be bound by the restrictions set forth in the Agreement.

Affiliates. If the Letter provides that RubinBrown's services, work product or deliverables may pertain not only to Client but also to a parent, subsidiaries, affiliates, advisors, contractors, family members, related trusts, partnerships, partners, estates or foundations, Client shall, as may be requested by RubinBrown from time to time (including subsequent to completion of the Engagement), obtain written confirmation of their agreement to the terms of the Agreement.

No Third Party Rights. Unless specifically set forth in the Letter, nothing expressed or referred to in the Agreement will be construed to give any person, other than the parties to the Agreement, any legal or equitable right, remedy, claim, benefit, priority or interest under or with respect to the Agreement or any provision of the Agreement. Except as specifically provided in the Letter, the Agreement and any services, work product or other deliverables hereunder are for the sole and exclusive benefit of the Client and its permitted successors and assigns and shall not be disclosed or disseminated to third parties or used for any purpose, other than those purposes specifically set forth in the Letter, without RubinBrown's prior written consent.

Mediation. If Client is dissatisfied with the quality or timeliness of RubinBrown's services, or believes such services were in any way negligently performed, Client agrees to promptly notify RubinBrown in writing of its dissatisfaction and specifically set forth its complaints. If the parties are unable to resolve their differences within thirty (30) days after RubinBrown's receipt of Client's written notice, it is agreed that either party may invoke the services of an impartial mediator under the auspices of the commercial mediation rules of the American Arbitration Association, United States Arbitration and Mediation Service, or any other national neutral mediation service, at the election of the party who first requests mediation. It is agreed that no claim pertaining to the quality or timeliness and/or alleged negligence of RubinBrown's provided services shall be arbitrated unless the foregoing procedures have first been followed and the mediator fails to settle the claim within thirty (30) days after the mediation process has concluded.

Binding Arbitration. The parties agree that any and all disputes between them in any way concerning the services provided by RubinBrown pursuant to the Agreement or the business relationship between the parties arising out of the Engagement shall be committed to binding arbitration before the American Arbitration Association ("AAA") and shall be conducted in accordance with the AAA's Commercial Arbitration Rules then in effect, as modified by the provisions stated herein. The location of the arbitration shall be in the St. Louis metropolitan area. The parties shall select one arbitrator, unless the amount of any demand or counterclaim in the arbitration shall be \$750,000 or more, in which case the parties shall select three arbitrators. The parties shall have the right to conduct discovery in the arbitration consistent with that discovery permitted by the Federal Rules of Civil Procedure, with the arbitrator(s) to

decide any discovery disputes. All proceedings conducted in the arbitration shall be strictly confidential. The award of the arbitrator(s) shall be final, and may be confirmed by the parties in the St. Louis County Circuit Court, or in the United States District Court for the Eastern District of Missouri.

Governing Law. The Agreement, including its formation, the parties' respective rights and duties and all disputes that might arise from or in connection with the Agreement or its subject matter, shall be governed by and construed in accordance with the laws of Missouri, without giving effect to conflicts of laws rules.

Attorneys' Fees and Costs. In connection with any legal action, arbitration or litigation arising from or in connection with the Agreement or its subject matter, the prevailing party shall be entitled to recover, subject to the damage limitations set forth in the Agreement, all costs incurred by such party in furtherance of such legal action, arbitration or litigation, including reasonable attorney's fees.

Construction. To the extent any apparent or actual contradiction may exist when construing or interpreting the contents of the Letter and the Terms, the Terms shall control and supersede any statement contained in the Letter, unless expressly stated otherwise in the provision or portion of the Letter or Terms at issue.

Waivers. Neither the failure nor any delay by any party in exercising any right, power or privilege under the Agreement will operate as a waiver of such right, power or privilege, and no single or partial exercise of any such right, power or privilege will preclude any other or further exercise of such right, power or privilege or the exercise of any other right, power or privilege.

Entire Agreement and Modification. The Agreement supersedes all prior agreements, arrangements and communications between the parties with respect to its subject matter and constitutes a complete and exclusive statement of the terms of the agreement between the parties with respect to its subject matter. The Agreement may not be modified or amended except by the mutual written agreement of both parties.

Severability. If any arbitrator or court of competent jurisdiction holds any provision of the Agreement invalid or unenforceable, the other provisions of the Agreement will remain in full force and effect. Any provision of the Agreement held invalid or unenforceable only in part or degree will remain in full force and effect to the extent not held invalid or unenforceable.

Headings. The headings of paragraphs contained in the Agreement are provided for convenience only. They form no part of the Agreement and shall not affect its construction or interpretation.

**THIS CONTRACT CONTAINS A BINDING ARBITRATION PROVISION
WHICH MAY BE ENFORCED BY THE PARTIES.**



RubinBrown LLP
Certified Public Accountants
& Business Consultants

One North Brentwood
Saint Louis, MO 63105

T 314.290.3300
F 314.290.3400

W rubinbrown.com
E info@rubinbrown.com

October 16, 2007

Mr. Michael Sullivan
Loughborough Commons Community Improvement District
C/O Desco Group, Inc.
25 North Brentwood Boulevard
Saint Louis, Missouri 63105

Dear Mike:

We appreciate the opportunity to be of service to Loughborough Commons Community Improvement District ("Client"). This letter ("Letter") sets forth the services that RubinBrown LLP ("RubinBrown") will provide for you. In order to better understand each party's obligations, the terms "we", "us" and "our" refer to RubinBrown and the terms "you", "your" and "management" refer to Loughborough Commons Community Improvement District. Your engagement of RubinBrown shall be governed by the terms of this Letter and the attached RubinBrown Engagement Terms.

Scope of Services

We will compile your statement of revenues and expenditures, on the cash basis, for the period from inception through June 30, 2007 (the foregoing financial statements are collectively referred to as the "Financial Statement"). Except as specifically provided for herein, our responsibility for this engagement shall be limited to compiling the Financial Statement for the period of time set forth in the preceding sentence and does not include an audit or review of such statements.

Your Board of Directors and management are solely responsible for (i) the accuracy and completeness of the Financial Statements including the related footnotes, (ii) selecting sound accounting principles, (iii) maintaining adequate internal controls, (iv) preventing and detecting fraud, (v) adjusting the financial statements to correct material misstatements.

We will conduct our compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

Our services cannot be relied upon to detect errors, irregularities, employee or management dishonesty, fraud, embezzlement or other illegal acts (hereinafter collectively referred to as "Irregularities"). In performing our services, we will advise the appropriate level of management of any such Irregularities that come to our attention. However, you must understand that our services cannot be relied upon to detect such Irregularities. If you have concerns about such matters, please discuss them with us. It may be possible to design a special engagement to assist you in uncovering such Irregularities.

If, for any reason, we are unable to complete our compilation of your financial statements, we will not issue a report on such statements as a result of this engagement.

As part of our engagement we may propose standard, adjusting, or correcting journal entries in connection with preparation of your financial statements and income tax returns. We will provide you with these proposed journal entries for your review and approval prior to issuing our report. You are responsible for reviewing the entries and understanding the nature of any proposed entries and the impact they have on the financial statements.

You are also responsible for management decisions and functions, and for designating a qualified management-level individual to oversee any bookkeeping, tax or other services we provide. You are responsible for evaluating the adequacy and results of the services performed and accepting responsibility for such services. You are responsible for establishing and maintaining internal controls, including monitoring ongoing activities.

Timing and Fees

Fees for our services will be based on the actual time expended at our billing rates in effect at the time the services are provided, plus out-of-pocket expenses incurred. If fees for the first year of services are anticipated to exceed \$5,000 we will seek your approval of such fees. We will keep you informed of our progress and work closely with you to structure our work to ensure that it is completed in a cost-effective and timely manner.

Invoices will be rendered monthly and presented to you for services performed in the prior month and are due and payable within 30 days of the date of the billing statement. We reserve the right to suspend or terminate further services until payment is received on all invoices that are not paid in full within 30 days of the date of the billing statement. In the event that we suspend or terminate this engagement as a result of non-payment, you agree that we will not be responsible for your failure to meet government or other filing deadlines, or for penalties or interest that may be assessed against you resulting from your failure to meet said deadlines. A 1% per month service charge will be added to balances remaining unpaid 60 days or more after the invoice date.

Fees for services requested other than those set forth in this Letter will be based on the actual time expended at our billing rates in effect at the time the services are provided, plus out-of-pocket expenses incurred.

Conflict of Interest

If, during the course of our engagement, we encounter circumstances we believe may create a conflict of interest or conflict with the ethical standards of our profession or our firm, we will inform you of our concerns. If these concerns cannot be adequately addressed to our satisfaction, or we are compelled to do so by professional standards, we may withdraw from the engagement.

Engagement Terms

Attached hereto is an additional statement of terms regarding our engagement titled, *RubinBrown LLP ("RubinBrown") Engagement Terms* (hereinafter "RubinBrown Engagement Terms"). The RubinBrown Engagement Terms are hereby incorporated by reference and the contents of this Letter should be construed in accordance with the terms set forth therein, unless expressly stated

otherwise in this Letter. When construing or interpreting the contents of this Letter or the terms of our engagement, the RubinBrown Engagement Terms shall govern. To the extent any apparent or actual contradiction may exist, the RubinBrown Engagement Terms shall be deemed controlling and shall supersede any such statement contained herein, unless expressly stated otherwise in the provision or portion of this Letter at issue.

Conclusion

We appreciate the opportunity to be of service to you and believe that this Letter and the RubinBrown Engagement Terms set forth the terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this Letter and the RubinBrown Engagement Terms, please sign the enclosed copy and return it to us. By signing the enclosed copy of this Letter, you acknowledge that you have read, understood and agreed to the terms as set forth in this Letter and in the RubinBrown Engagement Terms.

THIS CONTRACT CONTAINS A BINDING ARBITRATION PROVISION WHICH MAY BE ENFORCED BY THE PARTIES.

Sincerely,

RubinBrown LLP



Richard R. Aselage, CPA

Partner

Direct Dial Number: 314.290.3456

E-mail: rick.aselage@rubinbrown.com

RRA:cjm

Enclosures

By signing below, the signatory further represents and warrants that she/he is authorized to approve the terms of this engagement on behalf of the Client.

Approved By: _____



Title: _____

Chairman of the Board

Date: _____

October 19, 2007

RubinBrown LLP

ENGAGEMENT TERMS

These Engagement Terms (the "Terms") and the engagement letter (the "Letter") incorporating the Terms (the Terms and Letter are hereinafter collectively referred to as the "Agreement"), entered into by and between RubinBrown LLP ("RubinBrown") and Client, set forth the terms and conditions of RubinBrown's engagement with Client (the "Engagement"). These Terms shall also apply to any additional work that Client requests RubinBrown to perform unless a separate engagement letter is entered into by and between RubinBrown and Client for such additional work.

Agreed Upon Scope of Work. RubinBrown shall be obligated only for the services, work product and deliverables specified in the Letter, and only for changes in such scope that are set forth in writing and duly executed by the parties hereto. Unless expressly provided for in the Letter, RubinBrown's services do not include giving testimony, appearing or participating in discovery proceedings, administrative hearings, court, or other legal or regulatory inquiries or proceedings and, in the event RubinBrown later agrees to perform such services, RubinBrown will charge and Client shall pay RubinBrown's customary fee for such services.

Cooperation and Participation. While RubinBrown may from time to time suggest various options that may be available to Client and further give its professional evaluation of each of these options, Client must make the ultimate decision as to which, if any, of these options to implement. Client shall be solely responsible for applying independent business judgment with respect to RubinBrown's services, work product and/or deliverables (including decisions regarding implementation or other further course(s) of action) and shall be solely and exclusively responsible for such decisions. RubinBrown shall be entitled to rely on all decisions and approvals of Client (and its counsel). Although RubinBrown will endeavor to be alert to any incorrect or missing data and plans to apply its normal diligence in this regard, except as specifically provided in the Letter, RubinBrown shall be entitled to rely on the accuracy and completeness of all information provided by Client.

Access to Resources and Information. Unless specified herein as the responsibility of RubinBrown to provide, Client shall obtain for RubinBrown, on a timely basis, any internal and third-party permissions, licenses or approvals that are required for RubinBrown to perform the services contemplated hereunder (including the use of any necessary software or data). Client shall also provide RubinBrown with such information, signoffs and assistance as may be necessary for RubinBrown to perform the Engagement or as RubinBrown may reasonably request.

Record Retention. Pursuant to RubinBrown's record retention policy, at the conclusion of this Engagement, RubinBrown may retain copies of the records supplied to RubinBrown by Client and RubinBrown will return all such original records to the Client. The records and files retained by RubinBrown are RubinBrown's property and are not a substitute for the Client's own records. Client shall be responsible for retaining and maintaining records of its operations and records required to backup and support the Client's financial reports and tax returns. RubinBrown will destroy Client files and all pertinent work papers after a retention period of seven years, after which time these items will no longer be available. In addition, catastrophic events or physical deterioration may result in RubinBrown's records being unavailable.

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Notwithstanding anything herein to the contrary, (i) no restriction in the Agreement is intended to be nor shall be construed as a condition of confidentiality as such term is used in IRC §§ 6011, 6111 and 6112 and the regulations thereunder or in §10.35 of IRS Circular 230, and (ii) Client has RubinBrown's authorization to disclose to any and all persons, without limitation of any kind, any entity, plan, arrangement or transaction (including every aspect thereof) with respect to which RubinBrown, in connection with the Agreement does or is required to introduce, recommend, give advice, or otherwise provide consultation or services, it being Client's duty to ascertain whether any further authorization is needed from any other person.

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client privilege, the IRC SEC 7525 tax advisory privilege, etc.). Although Client is solely responsible for managing the recognition, establishment and maintenance (e.g., possible waiver) of these possible protections (and for involving legal counsel as it deems necessary), RubinBrown shall cooperate with Client's reasonable written instructions regarding such privileges.

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Limitation of Liability. The liability of RubinBrown (including its partners, employees, agents and affiliated companies) to Client for any claim or damages (including but not limited to incidental, special, exemplary, punitive or consequential), whether in contract, tort (including but not limited to RubinBrown's NEGLIGENCE, but excluding RubinBrown's gross negligence and intentional/willful torts), strict liability or otherwise, arising out of, connected with, or resulting from RubinBrown's services, work product or deliverables or the Engagement generally, shall not exceed all fees related to the Engagement paid by Client to RubinBrown, even if RubinBrown has been advised of the possibility of such claims or damages.

RubinBrown is an independent member of Baker Tilly International. Baker Tilly International Limited is a United Kingdom company. Each of the member firms is a separate and independent legal entity. Neither RubinBrown nor Baker Tilly International has any liability for each other's acts or omissions.

Indemnification. Client agrees to release, indemnify, and hold RubinBrown, its partners, officers, managers, personnel, agents, employees, affiliated companies, successors and assigns harmless from any liability and costs, including attorneys' fees, resulting from knowing misrepresentations by management of Client. Client's obligation to indemnify shall survive until such time as all claims against RubinBrown are legally barred under all applicable statutes of limitation.

Independent Contractor Status. Each party is an independent contractor with respect to the other and shall not be construed as having an employment, partnership, trustee or fiduciary relationship.

Assignments and Successors. Neither party may assign any of its rights or benefits under the Agreement without the prior written consent of the other party. Subject to the preceding sentence, the Agreement will apply to, be binding in all respects upon, and inure to the benefit of the permitted successors, assigns and legal representatives of the parties. Notwithstanding the foregoing, RubinBrown may authorize and allow its affiliates and contractors to assist in performing the Engagement and to share in RubinBrown's rights hereunder, provided any such party shall commit (as applicable) to be bound by the restrictions set forth in the Agreement.

Affiliates. If the Letter provides that RubinBrown's services, work product or deliverables may pertain not only to Client but also to a parent, subsidiaries, affiliates, advisors, contractors, family members, related trusts, partnerships, partners, estates or foundations, Client shall, as may be requested by RubinBrown from time to time (including subsequent to completion of the Engagement), obtain written confirmation of their agreement to the terms of the Agreement.

No Third Party Rights. Unless specifically set forth in the Letter, nothing expressed or referred to in the Agreement will be construed to give any person, other than the parties to the Agreement, any legal or equitable right, remedy, claim, benefit, priority or interest under or with respect to the Agreement or any provision of the Agreement. Except as specifically provided in the Letter, the Agreement and any services, work product or other deliverables hereunder are for the sole and exclusive benefit of the Client and its permitted successors and assigns and shall not be disclosed or disseminated to third parties or used for any purpose, other than those purposes specifically set forth in the Letter, without RubinBrown's prior written consent.

Mediation. If Client is dissatisfied with the quality or timeliness of RubinBrown's services, or believes such services were in any way negligently performed, Client agrees to promptly notify RubinBrown in writing of its dissatisfaction and specifically set forth its complaints. If the parties are unable to resolve their differences within thirty (30) days after RubinBrown's receipt of Client's written notice, it is agreed that either party may invoke the services of an impartial mediator under the auspices of the commercial mediation rules of the American Arbitration Association, United States Arbitration and Mediation Service, or any other national neutral mediation service, at the election of the party who first requests mediation. It is agreed that no claim pertaining to the quality or timeliness and/or alleged negligence of RubinBrown's provided services shall be arbitrated unless the foregoing procedures have first been followed and the mediator fails to settle the claim within thirty (30) days after the mediation process has concluded.

Binding Arbitration. The parties agree that any and all disputes between them in any way concerning the services provided by RubinBrown pursuant to the Agreement or the business relationship between the parties arising out of the Engagement shall be committed to binding arbitration before the American Arbitration Association ("AAA") and shall be conducted in accordance with the AAA's Commercial Arbitration Rules then in effect, as modified by the provisions stated herein. The location of the arbitration shall be in the St. Louis metropolitan area. The parties shall select one arbitrator, unless the amount of any demand or counterclaim in the arbitration shall be \$750,000 or more, in which case the parties shall select three arbitrators. The parties shall have the right to conduct discovery in the arbitration consistent with that discovery permitted by the Federal Rules of Civil Procedure, with the arbitrator(s) to

decide any discovery disputes. All proceedings conducted in the arbitration shall be strictly confidential. The award of the arbitrator(s) shall be final, and may be confirmed by the parties in the St. Louis County Circuit Court, or in the United States District Court for the Eastern District of Missouri.

Governing Law. The Agreement, including its formation, the parties' respective rights and duties and all disputes that might arise from or in connection with the Agreement or its subject matter, shall be governed by and construed in accordance with the laws of Missouri, without giving effect to conflicts of laws rules.

Attorneys' Fees and Costs. In connection with any legal action, arbitration or litigation arising from or in connection with the Agreement or its subject matter, the prevailing party shall be entitled to recover, subject to the damage limitations set forth in the Agreement, all costs incurred by such party in furtherance of such legal action, arbitration or litigation, including reasonable attorney's fees.

Construction. To the extent any apparent or actual contradiction may exist when construing or interpreting the contents of the Letter and the Terms, the Terms shall control and supersede any statement contained in the Letter, unless expressly stated otherwise in the provision or portion of the Letter or Terms at issue.

Waivers. Neither the failure nor any delay by any party in exercising any right, power or privilege under the Agreement will operate as a waiver of such right, power or privilege, and no single or partial exercise of any such right, power or privilege will preclude any other or further exercise of such right, power or privilege or the exercise of any other right, power or privilege.

Entire Agreement and Modification. The Agreement supersedes all prior agreements, arrangements and communications between the parties with respect to its subject matter and constitutes a complete and exclusive statement of the terms of the agreement between the parties with respect to its subject matter. The Agreement may not be modified or amended except by the mutual written agreement of both parties.

Severability. If any arbitrator or court of competent jurisdiction holds any provision of the Agreement invalid or unenforceable, the other provisions of the Agreement will remain in full force and effect. Any provision of the Agreement held invalid or unenforceable only in part or degree will remain in full force and effect to the extent not held invalid or unenforceable.

Headings. The headings of paragraphs contained in the Agreement are provided for convenience only. They form no part of the Agreement and shall not affect its construction or interpretation.

**THIS CONTRACT CONTAINS A BINDING ARBITRATION PROVISION
WHICH MAY BE ENFORCED BY THE PARTIES.**

**LOUGHBOROUGH COMMONS
COMMUNITY IMPROVEMENT DISTRICT**

Notice of Open Meeting of the Board of Directors

Notice is hereby given that the Board of Directors of Loughborough Commons Community Improvement District will conduct a meeting at 3:00 p.m. on Friday, October 26, 2007, at the offices of Greensfelder, Hemker & Gale, P.C., 10 South Broadway, Suite 2000, St. Louis, Missouri 63102, to consider and act upon the following:

1. Roll Call
2. Adoption of Resolution No. 2007-14, entitled:

**A RESOLUTION OF THE LOUGHBOROUGH COMMONS COMMUNITY
IMPROVEMENT DISTRICT RATIFYING THE MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS HELD ON OCTOBER 19, 2007**

3. Adoption of Resolution No. 2007-15, entitled:

**A RESOLUTION OF THE LOUGHBOROUGH COMMONS COMMUNITY
IMPROVEMENT DISTRICT AUTHORIZING AND ADOPTING THE FINAL
FORM OF THE FINANCING AGREEMENT WITH THE INDUSTRIAL
DEVELOPMENT AUTHORITY OF THE CITY OF ST. LOUIS, MISSOURI AND
THE CITY OF ST. LOUIS, MISSOURI AND ASSIGNING CID REVENUES TO
THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF ST.
LOUIS, MISSOURI FOR THE PURPOSE OF PAYING THE PRINCIPAL OF
AND INTEREST ON THE REFUNDING REVENUE BONDS, SERIES 2007**

4. Adoption of Resolution No. 2007-16, entitled:

**A RESOLUTION OF THE LOUGHBOROUGH COMMONS COMMUNITY
IMPROVEMENT DISTRICT AUTHORIZING AND ADOPTING A FISCAL
AGENT AGREEMENT WITH UMB BANK, N.A.**

5. Discussion regarding setting date, time and place for the next meeting of the Board of Directors.

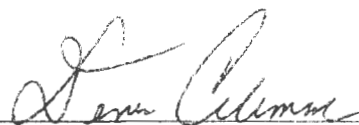
Some of the Board of Directors may participate by telephone or other electronic means. Any member of the public may observe and attend the meeting at the office identified above.

Representatives of the news media may obtain copies of this notice by contacting: Tracy R. Ring c/o Greensfelder, Hemker & Gale, P.C., 10 South Broadway, Suite 2000, St. Louis, Missouri 63102, 314-516-2620. Persons with disabilities wishing to attend may contact Tracy R. Ring at the address and telephone number provided above prior to the meeting if accommodations are required.

AFFIDAVIT

State of Missouri)
) ss.
City of St. Louis)

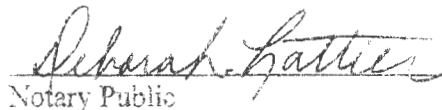
I, Denise Coleman, Legal Counsel/ Clerk to the Board of Aldermen of the City of St. Louis, Missouri, being first duly sworn, state and certify that the attached notice of the meeting of the Board of Directors of the Loughborough Commons Community Improvement District to be held at 4:00 p.m. on October 26, 2007, (1) was posted at least 24 hours prior to the commencement of the meeting on a bulletin board or other prominent place at St. Louis City Hall, 1200 Market Street, St. Louis, Missouri 63103, which is easily accessible to the public, and (2) was made available to any representative of the news media who requested notice of the meeting.



Denise Coleman,
Legal Counsel/Clerk to the Board of
Aldermen of the City of St. Louis, Missouri

Subscribed and sworn to before me this 26th day of October, 2007.

(SEAL)



Notary Public

My commission expires: May 1, 2010

AFFIDAVIT


State of Missouri)
) ss.
City of St. Louis)

I, Tracy Ring, counsel to the Loughborough Commons Community Improvement District, being first duly sworn, state and certify that the attached notice of the meeting of the Board of Directors of the Loughborough Commons Community Improvement District to be held at 3:00 p.m. on October 26, 2007, (1) was posted at least 24 hours prior to the commencement of the meeting on a bulletin board or other prominent place at the offices of Greensfelder, Hemker & Gale, P.C., 10 South Broadway, Suite 2000, St. Louis, Missouri 63102, which is easily accessible to the public, and (2) was made available to any representative of the news media who requested notice of the meeting.



Tracy Ring, counsel to the Loughborough
Commons Community Improvement
District

Subscribed and sworn to before me this 25th day of October, 2007.

(SEAL) 

KEVIN J. LUX
My Commission Expires
January 18, 2009
St. Louis County
Commission #05655108



Notary Public

My commission expires:

RESOLUTION NO. 2007-14

**A RESOLUTION OF THE LOUGHBOROUGH COMMONS COMMUNITY
IMPROVEMENT DISTRICT RATIFYING THE MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS HELD ON OCTOBER 19, 2007**

WHEREAS, pursuant to the Community Improvement District Act, Sections 67.1401 to 67.1571 of the Revised Statutes of Missouri, as amended (the "CID Act"), the City of St. Louis, Missouri (the "City") adopted Ordinance No. 67088 on May 17, 2006 (the "Ordinance"), establishing the Loughborough Commons Community Improvement District (the "District");

WHEREAS, pursuant to the Ordinance and the Petition signed by representatives of more than fifty percent per capital of all property owners within the District, the Mayor of the City appointed members of the board of directors of the District serving such terms as designated by the Mayor of the City;

WHEREAS, pursuant to Paragraph 8 of Article IV of the Bylaws of the District, the Board of Directors shall conduct all meetings of the Board of Directors in accordance with the Sunshine Law of the State of Missouri; and

WHEREAS, pursuant to Section 610.020.7 of the Revised Statutes of Missouri, the Sunshine Law requires that minutes of meetings be taken and retained by the District.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF
DIRECTORS OF THE LOUGHBOROUGH COMMONS COMMUNITY
IMPROVEMENT DISTRICT AS FOLLOWS:**

1. The Board of Directors of the District hereby ratifies the minutes of the meeting of the Board of Directors held on October 19, 2007 attached hereto as Exhibit A and directs the Secretary of the Board of Directors to attest to such minutes as ratified.
2. The Board of Directors of the District hereby directs that the minutes so attested and ratified be retained in the records of the District.
3. This resolution shall be in full force and effect from and after its adoption by the Board of Directors.


[This space intentionally blank; signature page to follow]

This Resolution was adopted at the meeting of the Board of Directors of the District duly called and held on this date. This Resolution shall be filed by the Custodian of Records of the District with the minutes of the meetings of the Board of Directors.

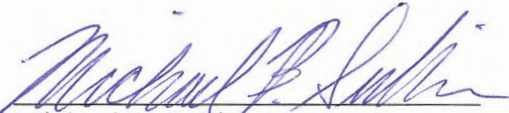
Approved this 26th day of October, 2007.

(SEAL)

ATTEST:



Michael L. Anthon,
Secretary of the Board of Directors



Michael B. Sullivan,
Chairman of the Board of Directors

Exhibit A
Minutes of the October 19, 2007 Meeting of the Board of Directors

SEE ATTACHED

MINUTES

MEETING OF THE BOARD OF DIRECTORS OF THE LOUGHBOROUGH COMMONS COMMUNITY IMPROVEMENT DISTRICT

October 19, 2007

A meeting of the Board of Directors of the Loughborough Commons Community Improvement District ("District") was held at 10 South Broadway, Suite 2000, St. Louis, Missouri 63102, on Friday, October 19, 2007, at 3:30 p.m.

1. Roll Call

The following members of the Board of Directors were present in person or via telephone conference and thereby constituted a quorum of the Directors:

Michael Sullivan
Karen Mills
Patricia McDougell

The following guests of the Board of Directors were present:

Tracy Ring
Brian McMaster
Franklin Sears

2. Considerations and Resolutions

A. The matter of ratifying the Minutes of the September 20, 2007 meeting of the Board of Directors of the District came on for consideration and was discussed. After consideration and discussion by the Board, Director Sullivan moved for the adoption of Resolution No. **2007-10**, titled as follows:

A RESOLUTION OF THE LOUGHBOROUGH COMMONS COMMUNITY IMPROVEMENT DISTRICT RATIFYING THE MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS HELD ON SEPTEMBER 20, 2007.

McDougell seconded the motion. Thereupon, the resolution was put to a roll call vote, and was passed by the following vote:

Aye: Michael Sullivan
Karen Mills
Patricia McDougell

Nay: None

Thereupon, the Chairman declared said Resolution duly passed and the Resolution was then signed by the Chairman and attested and certified by the Secretary.

B. The matter of accepting the resignation of Scott Sachtleben as a director and acknowledging the appointment of Franklin Sears as a replacement director came on for consideration and was discussed. After consideration and discussion by the Board, Director Mills made a motion for the adoption of Resolution No. **2007-11**, titled as follows:

**A RESOLUTION OF THE LOUGHBOROUGH COMMONS COMMUNITY
IMPROVEMENT DISTRICT ACCEPTING THE RESIGNATION OF A DIRECTOR
AND ACKNOWLEDGING HIS REPLACEMENT**

McDougell seconded the motion. Thereupon, the resolution was put to a roll call vote, and was passed by the following vote:

Aye: Michael Sullivan
Karen Mills
Patricia McDougell

Nay: None

Thereupon, the Chairman declared said Resolution duly passed and the Resolution was then signed by the Chairman and attested and certified by the Secretary.

C. The matter of amending the Bylaws of the District came on for consideration and was discussed. After consideration and discussion by the Board, Director Sullivan made a motion for the adoption of Resolution No. **2007-12**, titled as follows:

**A RESOLUTION OF THE LOUGHBOROUGH COMMONS COMMUNITY
IMPROVEMENT DISTRICT AMENDING THE BYLAWS OF THE DISTRICT**

Director McDougell seconded the motion. Thereupon, the resolution was put to a roll call vote, and was passed by the following vote:

Aye: Michael Sullivan
Karen Mills
Patricia McDougell

Nay: None

Thereupon, the Chairman declared said Resolution duly passed and the Resolution was then signed by the Chairman and attested and certified by the Secretary.

D. The matter of authorizing the engagement of RubinBrown LLP to prepare the District's financial statements came on for consideration and was discussed. After consideration and discussion by the Board, Director McDougell made a motion for the adoption of Resolution No. **2007-13**, titled as follows:

**A RESOLUTION OF THE LOUGHBOROUGH COMMONS COMMUNITY
IMPROVEMENT DISTRICT AUTHORIZING THE ENGAGEMENT OF
RUBINBROWN LLP TO PREPARE THE DISTRICT'S FINANCIAL STATEMENTS**

Director Mills seconded the motion. Thereupon, the resolution was put to a roll call vote, and was passed by the following vote:

Aye: Michael Sullivan
Karen Mills
Patricia McDougell

Nay: None

Thereupon, the Chairman declared said Resolution duly passed and the Resolution was then signed by the Chairman and attested and certified by the Secretary.

3. New Business

After consideration and voting on the above resolutions, the following new business matters came on for consideration: Next meeting scheduled for October 26, 2007 to approve final form of Financing Agreement and Fiscal Agent Agreement with UMB Bank, N.A.

4. Adjournment

There being no further business to come before the Board of Directors, upon motion duly made by Director Sullivan, seconded by Director McDougell and unanimously carried by the Board of Directors, the meeting was adjourned.



Michael Anthon, Secretary of the Board of Directors

RESOLUTION NO. 2007-15

A RESOLUTION OF THE LOUGHBOROUGH COMMONS COMMUNITY IMPROVEMENT DISTRICT AUTHORIZING AND ADOPTING THE FINAL FORM OF THE FINANCING AGREEMENT WITH THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF ST. LOUIS, MISSOURI AND THE CITY OF ST. LOUIS, MISSOURI AND ASSIGNING CID REVENUES TO THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF ST. LOUIS, MISSOURI FOR THE PURPOSE OF PAYING THE PRINCIPAL OF AND INTEREST ON THE REFUNDING REVENUE BONDS, SERIES 2007

WHEREAS, pursuant to the Community Improvement District Act, Sections 67.1401 to 67.1571 of the Revised Statutes of Missouri, as amended (the “CID Act”), the City of St. Louis, Missouri (the “City”) adopted Ordinance No. 67088 on May 17, 2006 (the “Ordinance”), establishing the Loughborough Commons Community Improvement District (the “District”); and

WHEREAS, pursuant to the Ordinance and the Petition signed by representatives of more than fifty percent per capital of all property owners within the District, the Mayor of the City appointed members of the board of directors of the District serving such terms as designated by the Mayor of the City; and

WHEREAS, pursuant to Resolution Nos. 2006-05, 2006-06, 2007-07 and 2007-08, the District has issued its Community Improvement Revenue Note, Series 2007 in the aggregate principal amount of \$3,925,000 dated as of January 1, 2007 and payable to Loughborough Commons, L.L.C. (the “Developer”) pursuant to that certain Development Agreement between the District and the Developer dated December 22, 2006 (the “CID Note”); and

WHEREAS, the City of St. Louis, Missouri (the “City”) issued that certain Tax Increment Revenue Note (Loughborough Commons Redevelopment Project), Series 2006 in a total principal amount not to exceed \$11,000,000 plus issuance costs, dated as of January 24, 2006 and payable to the Developer pursuant to that certain Redevelopment Agreement between the City and the Developer dated March 30, 2005 (the “TIF Note”); and

WHEREAS, The Industrial Development Authority of the City of St. Louis, Missouri, a public corporation duly organized under Chapter 349 of the Revised Statutes of Missouri (the “IDA”) is authorized to issue bonds for the purpose of promoting certain commercial and public facility projects; and

WHEREAS, the District and the City desire that the IDA issue its revenue bonds (the “Bonds”) for the purpose of refunding the CID Note and the TIF Note (the “Refunding”); and

WHEREAS, the District, City and IDA propose to enter into a financing agreement to facilitate the Refunding; and

WHEREAS, pursuant to Section 67.1451.8 of the CID Act, the board of directors of a community improvement district is authorized to act on behalf of the District.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE LOUGHBOROUGH COMMONS COMMUNITY IMPROVEMENT DISTRICT AS FOLLOWS:

1. The Chairman of the Board of Directors is authorized to execute, and the Secretary of the Board of Directors is authorized to attest, a Financing Agreement with the City and the IDA in substantially the final form attached hereto as Exhibit A, with such changes therein as shall be approved by the Chairman of the Board of Directors, such officer's signature thereon being conclusive evidence of his approval thereof (the "Financing Agreement").

2. From and after the effective date of the Financing Agreement, but subject to annual appropriation, the District pledges the revenues received from the 1% Community Improvement District Sales Tax levied within the District to UMB Bank, N.A., as trustee under that certain Trust Indenture between the IDA and UMB Bank, N.A. for the purpose of paying principal and interest on the Bonds.

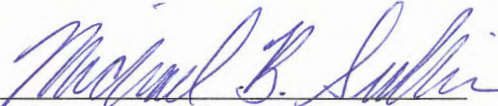
3. The District shall, and the officials, agents and employees of the District are hereby authorized and directed to, take such further action, and execute such other documents, certificates and instruments, as may be necessary or desirable to carry out and comply with the intent of this Resolution, and to carry out, comply with and perform the duties of the District with respect to the Financing Agreement.

4. This Resolution shall take effect and be in full force from and after the date of its adoption by the Board of Directors.


This Resolution was adopted at the meeting of the Board of Directors of the District duly called and held on this date. This Resolution shall be filed by the Custodian of Records of the District with the minutes of the meetings of the Board of Directors.

Approved this 26th day of October, 2007.

(SEAL)


Michael B. Sullivan,
Chairman of the Board of Directors

ATTEST:



Michael L. Anthon,
Secretary of the Board of Directors

Exhibit A

Financing Agreement

SEE ATTACHED

FINANCING AGREEMENT

by and among

**THE INDUSTRIAL DEVELOPMENT AUTHORITY
OF THE CITY OF ST. LOUIS, MISSOURI**

and

CITY OF ST. LOUIS, MISSOURI

and

I-55/LOUGHBOROUGH COMMONS COMMUNITY IMPROVEMENT DISTRICT

Relating to

§[PP]

**The Industrial Development Authority of
the City of St. Louis, Missouri
Tax Increment and Community Improvement District
Refunding Revenue Bonds, Series 2007
(Loughborough Commons Redevelopment Project)**

Dated as of November 1, 2007

The rights, title and interest of The Industrial Development Authority of the City of St. Louis, Missouri, to this Financing Agreement have been assigned to UMB Bank, N.A., as Trustee under the Trust Indenture dated as of November 1, 2007 between The Industrial Development Authority of the City of St. Louis, Missouri, and the Trustee.

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FINANCING AGREEMENT

THIS FINANCING AGREEMENT, dated as of November, 2007 (this "*Financing Agreement*"), is by and among **THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF ST. LOUIS, MISSOURI**, a public corporation duly organized under Chapter 349 of the Revised Statutes of Missouri (the "*Authority*"), and the **CITY OF ST. LOUIS, MISSOURI**, a charter city and political subdivision duly organized and existing under the constitution and laws of the State of Missouri (the "*City*"), and **LOUGHBOROUGH COMMONS COMMUNITY IMPROVEMENT DISTRICT**, a political subdivision of the State of Missouri (the "*District*"). Capitalized terms not defined elsewhere herein shall have the meaning set forth in the Indenture as more fully described in Section 1.1 hereof.

RECITALS

WHEREAS, pursuant to Ordinance Nos. 66664 and 66670, the City approved a redevelopment plan attached to Ordinance No. 66664 (the "*Redevelopment Plan*") for redevelopment of a certain 15 acres located at or near Loughborough and South Grand Avenue within the City of St. Louis, Missouri (the "*Redevelopment Area*"), designated Loughborough Commons, L.L.C. as developer of the Redevelopment Area (the "*Developer*"), approved execution of a Redevelopment Agreement by and between the City and the Developer dated as of March 30, 2005 (the "*Redevelopment Agreement*"), adopted tax increment allocation financing within the Redevelopment Area, and authorized the District to be formed as a political subdivision with a sales tax as a revenue source within the Redevelopment Area to construct and maintain certain projects; and

WHEREAS, the authorization of the issuance of the City's Taxable Tax Increment Revenue Notes (Loughborough Commons Redevelopment Project), Series 2006, in a total principal amount not to exceed \$11,000,000 plus issuance costs (the "*Notes*") for the purpose of implementing the Redevelopment Plan, was approved by Ordinance No. 66673 (the "*Note Ordinance*") and the Notes were issued on January 24, 2006; and

WHEREAS, the authorization of the issuance of the District's Sales Tax Revenue Notes, Series 2007, in a total principal amount of \$3,925,000 (the "*District Obligations*") for the purpose of paying for the construction and maintenance of the District projects, was approved by District Resolution Nos. 2006-7 and 2007-5 and the District Obligations were issued on January 1, 2007; and

WHEREAS, the Authority is authorized pursuant to the Chapter 349 of the Revised Statutes of Missouri to issue bonds for the purpose of promoting certain commercial and public facility "projects;" and

WHEREAS, the City and District have requested that the Authority issue its revenue bonds for the purpose of refunding the Notes and District Obligations (the refunding of such Notes and District Obligations is referred to herein as the "*Refunding*"); and

WHEREAS, on _____, 2007, the Board of Directors of the Authority adopted a resolution (the "*Bond Resolution*") authorizing the issuance of up to \$19,500,000 aggregate

principal amount of Tax Increment and Community Improvement District Refunding Revenue Bonds, Series 2007 (Loughborough Commons Redevelopment Project) (the “*Bonds*”) pursuant to a certain Trust Indenture dated as of _____, 2007 (the “*Indenture*”) between the Authority and UMB Bank, N.A., as trustee (the “*Trustee*”) for purposes of refunding the Notes and District Obligations, funding a debt service reserve fund for the Bonds, funding capitalized interest on the Bonds, and paying the costs of issuance of the Bonds; and

WHEREAS, on _____, 2007, the Mayor of the City executed Ordinance No. _____ adopted by the Board of Aldermen of the City (the “*Approving Ordinance*”), approving this Financing Agreement and assigning TIF Revenues (as defined herein) to the Trustee for the purpose of paying the principal of and interest on the Bonds; and

WHEREAS, on _____, 2007, the District passed Resolution No. _____, approving this Financing Agreement and pledging, subject to annual appropriation, CID Revenues (as defined herein) to the Trustee for the purpose of paying the principal of and interest on the Bonds; and

WHEREAS, the Authority and the City desire to enter into this Financing Agreement to provide for the pledge and assignment of TIF Revenues and CID Revenues by the City and District to the Trustee for the purpose of paying the principal of and interest on the Bonds.

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements herein set forth, the Authority and the City do hereby covenant and agree as follows:

ARTICLE I DEFINITIONS, CONSTRUCTION AND CERTAIN GENERAL PROVISIONS

Section 1.1 Definitions. In addition to words and terms elsewhere defined herein, the following words and terms as used in this Financing Agreement shall have the following meanings, unless some other meaning is plainly intended:

“*Approving Ordinance*” means Ordinance No. _____ adopted by the Board of Aldermen of the City and executed by the Mayor on _____, 2007, and which approves this Financing Agreement, the Continuing Disclosure Agreement and Tax Compliance Agreement and assigns TIF Revenues to the Authority for the purpose of paying the principal of and interest on the Bonds.

“*Authority*” means The Industrial Development Authority of the City of St. Louis, Missouri.

“*Authorized Authority Representative*” means any person from time to time designated to act on behalf of the Authority as evidenced by written certificate furnished to the Trustee containing the specimen signature of such person and signed on behalf of the Authority by its Executive Director. Such certificate may designate an alternate or alternates, each of whom shall be entitled to perform all duties of the Authorized Authority Representative.

“*Authorized City Representative*” means any person from time to time designated to act on behalf of the City as evidenced by written certificate furnished to the Trustee containing the

specimen signature of such person and signed on behalf of the City by its Comptroller. Such certificate may designate an alternate or alternates, each of whom shall be entitled to perform all duties of the Authorized City Representative.

“Authorized District Representative” means any person from time to time designated to act on behalf of the District as evidenced by written certificate furnished to the Trustee containing the specimen signature of such person and signed on behalf of the District by a member of its Board of Directors. Such certificate may designate an alternate or alternates, each of whom shall be entitled to perform all duties of the Authorized District Representative.

“Bonds” means The Industrial Development Authority of the City of St. Louis Tax Increment and Community Improvement District Refunding Revenue Bonds, Series 2007 (Loughborough Commons Redevelopment Project).

“Bond Resolution” means the resolution adopted by the Board of Directors of the Authority on _____, 2007, approving the Indenture, Tax Compliance Agreement and this Financing Agreement, and authorizing the issuance of the Bonds pursuant to the Indenture for the purposes of refunding the Notes and District Obligations, funding a debt service reserve fund for the Bonds, funding capitalized interest on the Bonds, and paying the costs of issuance of the Bonds.

“Business Day” means any day other than a Saturday, Sunday or any other day on which banking institutions in the city in which the principal corporate trust office or payment office of the Trustee is located are required or authorized by law to close.

“CID Act” means the Community Improvement District Act, Sections 67.1401 to 67.1571, inclusive, of the Revised Statutes of Missouri, as amended.

“CID Resolution” means the resolution adopted by the board of directors of the District on _____, 2007, which approves this Financing Agreement and assigns CID Revenues to the Authority for the purpose of paying the principal of and interest on the Bonds.

“CID Revenues” means, subject to annual appropriation, that CID Sales tax of one percent (1%) imposed by the District on all taxable sales as defined in Section 67.1545 of the CID Act less the costs of collection of the Missouri Department of Revenue pursuant to applicable State law and any amount paid under protest until the protest is withdrawn or resolved against the taxpayer and any amount received by the District which is the subject of a suit or other claim and any amount retained by the District for its administrative purposes annually not to exceed Fifteen Thousand Dollars (\$15,000).

“City” means the City of St. Louis, Missouri, a charter city and political subdivision duly organized and existing under the Constitution and laws of the State of Missouri.

“Continuing Disclosure Agreement” means the Continuing Disclosure Agreement dated as of November 1, 2007 between the City and UMB Bank, N.A., as dissemination agent.

“Developer” means Loughborough Commons, L.L.C., a limited liability company duly organized and existing under the laws of the State of Missouri.

“*District*” means the Loughborough Commons Community Improvement District.

“*District Obligations*” shall have the meaning provided in the Recitals hereto.

“*District Projects*” means those Community Improvement District projects completed by the District.

“*Economic Activity Tax Revenues*” means, subject to annual appropriation by the City as provided in the TIF Act, fifty percent (50%) of the total additional revenue from taxes imposed by the City and other taxing districts (as that term is defined in Section 99.805 of the TIF Act) which are generated by economic activities within the Redevelopment Area over the amount of such taxes generated by economic activities within the Redevelopment Area in the calendar year ending December 31, 2004, but excluding therefrom any taxes imposed on sales or charges for sleeping rooms paid by transient guests of hotels and motels; licenses; fees or special assessments, other than payments in lieu of taxes; personal property taxes; and taxes levied for the purpose of public transportation pursuant to Section 94.660, RSMo, as amended, and excluding any sales tax imposed by the Transitional School District of the City of St. Louis.

“*Event of Default*” means any event or occurrence as defined in Section 8.1 hereof.

“*Fiscal Year*” means the fiscal year now or hereafter adopted by the City for accounting purposes, which as of the date of this Financing Agreement commences July 1 and ends on June 30.

“*Indenture*” means the trust indenture by and between the Authority and Trustee which provides their respective rights and obligations and terms of issuance of the Bonds, and any amendment or supplement thereto.

“*Monitor*” means, initially _____, or another urban planner, urban consultant or certified public accountant, or firm of urban planners, urban consultants or certified public accountants, selected by the Underwriter with the approval of the Authority who periodically reviews the method of calculating and the calculations regarding TIF Revenues and CID Revenues on deposit in the Special Allocation Fund and verifies deposits to the Special Allocation Fund from the TIF Revenues and CID Revenues records of the City.

“*Monthly Revenues*” means those revenues described in Section 4.2 hereof.

“*Note Ordinance*” means Ordinance No. 66673 of the City adopted on February 28, 2005, authorizing the execution and issuance of the Notes.

“*Notes*” shall have the meaning provided in the Recitals hereto.

“*Outstanding*” means, when used with reference to Bonds, 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;

(b) Bonds which are deemed to have been paid in accordance with the Indenture;

(c) Bonds alleged to have been mutilated, destroyed, lost or stolen which have been paid as provided in the Indenture; and

(d) Bonds in exchange for or in lieu of which other Bonds have been authenticated and delivered pursuant to the Indenture.

“*Owner*” means the Person in whose name any Bond is registered on the Register.

“*Payments in Lieu of Taxes*” means those payments in lieu of taxes (as defined in Section 99.805(10) of the TIF Act, if any, attributable to the increase in the current equalized assessed valuation of all of all taxable lots, blocks, tracts and parcels of real property in the Redevelopment Area over and above the certified total initial equalized assessed valuation of the real property in the Redevelopment Area, as provided for by Section 99.845 of the TIF Act, but excluding the operating levy for school purposes imposed by the Transitional School District of the City of St. Louis.

“*Person*” means any natural person, firm, partnership, association, corporation, limited liability company or public body.

“*Quarterly Revenues*” means those revenues described in Section 4.2(a) hereof.

“*Redevelopment Agreement*” means the Redevelopment Agreement dated as of March 30, 2005, by and between the City and the Developer, as modified, amended or supplemented from time to time.

“*Redevelopment Area*” means the area defined as such in the Redevelopment Plan.

“*Redevelopment Plan*” has the meaning set forth in the recitals hereto.

“*Redevelopment Project*” means the project described in the Redevelopment Plan and the Redevelopment Agreement.

“*Register*” means the registration books of the Authority kept by the Trustee, or other designated registrar, to evidence the registration, transfer and exchange of Bonds.

“*Special Allocation Fund*” means the City’s Special Allocation Fund created for the Redevelopment Area by the Approving Ordinances in accordance with Section 99.845 of the TIF Act.

“*State*” means the State of Missouri.

“*TIF Act*” means the Real Property Tax Increment Allocation Redevelopment Act, Sections 99.800 to 99.865, inclusive, of the Revised Statutes of Missouri, as amended.

“*TIF Revenues*” means all Economic Activity Tax Revenues, which have been appropriated by the City to the payment of the Bonds, and Payments in Lieu of Taxes on deposit in the Special Allocation Fund. TIF Revenues do not include any such amount paid under protest until the protest is withdrawn or resolved against the taxpayer, nor do TIF Revenues include any sum received by the City which is the subject of a suit or other claim communicated to the City, which suit or claim challenges the collection of such sums or their payment to the Owner of the Bond or its successor in interest, which TIF Revenues are payable as provided in the Indenture.

“*Trust Estate*” means the Trust Estate as described in the Indenture.

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

“*Underwriter*” means Stifel, Nicolaus & Company, Incorporated, as the initial purchaser of the Bonds.

Section 1.2 Rules of Interpretation. Words of one gender shall be deemed and construed to include correlative words of the other genders.

(a) Unless the context shall otherwise indicate, words importing the singular number shall include the plural and vice versa, and words importing person shall include firms, partnerships, associations and corporations, including public bodies, as well as natural persons.

(b) 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.

(c) 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.

(d) 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.

(e) 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.

ARTICLE II REPRESENTATIONS

Section 2.1 Representations by the Authority. The Authority represents to the City that:

(a) The Authority is a public corporation duly organized under Chapter 349 of the Revised Statutes of Missouri with lawful power and authority to enter into this Financing Agreement, acting by and through its duly authorized officers.

(b) The Bond Resolution has been duly adopted by the Authority and the same has not been modified, amended or repealed.

(c) The execution and delivery of this Financing Agreement by the Authority will not result in a breach of any of the terms of, or constitute a default under, any indenture, mortgage, deed of trust, lease or other agreement or instrument to which the Authority is a party or by which it or any of its property is bound or its bylaws or any of the constitutional or statutory rules or regulations applicable to the Authority or its property.

(d) This Financing Agreement and the Bonds are valid and binding agreements of the Authority, enforceable in accordance with their respective terms, except as enforcement thereof may be limited by applicable bankruptcy, insolvency, moratorium, reorganization or other laws or equitable principles of general application affecting remedies or creditors' rights or by general equitable principles which may limit the right to obtain equitable remedies.

(e) There is not now pending or, to the knowledge of the Authority, threatened any suit, action or proceeding against or affecting the Authority by or before any court, arbitrator, administrative agency or other governmental authority which, if decided adversely to the Authority, would materially affect the validity of any of the transactions contemplated by the Bond Resolution or this Financing Agreement, or is reasonably likely to impair the ability of the Authority to perform its obligations under the Bond Resolution or this Financing Agreement, or as contemplated thereby or hereby, nor is there any basis therefor.

Section 2.2 Representations by the City. The City represents and warrants as follows:

(a) The City is a charter city and political subdivision duly organized and existing under the constitution and laws of the State of Missouri. The City has lawful power and authority to enter into this Financing Agreement, the Continuing Disclosure Agreement, the Tax Compliance Agreement and all other documents required to be executed and delivered by it in connection with the issuance of the Bonds (collectively, the "*City Documents*"), acting by and through its officials.

(b) The City has the power and authority to enter into, execute and deliver the City Documents and to perform its obligations thereunder and consummate the transactions contemplated therein, and has by proper action duly authorized the execution and delivery of the City Documents.

(c) This Financing Agreement and the other City Documents are valid and binding agreements of the City, enforceable in accordance with their terms, except as enforcement thereof may be limited by applicable bankruptcy, insolvency, moratorium, reorganization or other laws or equitable principles of general application affecting remedies or

creditors' rights or by general equitable principles which may limit the right to obtain equitable remedies.

(d) The execution and delivery of this Financing Agreement and the other City Documents, the consummation of the transactions contemplated herein and therein, and the fulfillment of or compliance with the terms and conditions hereof and thereof will not (with the passage of time or the giving of notice, or both) conflict with or result in or constitute a breach of or default under any indenture, mortgage, deed of trust, lease or other agreement or instrument to which the City is a party or by which it or any of its property is bound, or violate any provision of the charter of the City, or of any constitutional or statutory provision, or of any order, rule or regulation of any court or governmental authority applicable to the City or its property.

(e) There is not now pending or, to the knowledge of the City, threatened any suit, action or proceeding against or affecting the City by or before any court, arbitrator, administrative agency or other governmental authority which, if decided adversely to the City, would materially affect the validity of any of the transactions contemplated by the Approving Ordinance, this Financing Agreement or the other City Documents, or is reasonably likely to impair the ability of the City to perform its obligations under the Approving Ordinance, this Financing Agreement or the other City Documents, or as contemplated thereby or hereby, nor is there any basis therefor.

Section 2.3 Representations of the District. The District represents and warrants as follows:

(a) The District is a community improvement district and political subdivision, duly organized and existing under the laws of the State of Missouri, including particularly the CID Act.

(b) The District has authority to enter into this Agreement and to carry out its obligations under this Agreement. By proper action of its Board of Directors, the District has been duly authorized to execute and deliver this Financing Agreement and all other documents required to be executed and delivered by it in connection with the issuance of the Bonds (collectively, the "*District Documents*"), acting by and through its duly authorized officers.

(c) The District has taken all necessary action to approve the District Projects. No further action or approvals by the District are necessary in connection with the construction or financing of the District Projects, except with respect to the approval of certain matters relating to the use of CID Revenues for the payment of CID administrative costs and the repayment of the Bonds.

(d) The execution and delivery of this Financing Agreement and other District Documents, the consummation of the transactions contemplated by this Financing Agreement and the performance of or compliance with the terms and conditions of this Financing Agreement by the District will not conflict with or result in a breach of any of the terms, conditions or provisions of, or constitute a default under, any mortgage, deed of trust, lease or any other restriction or any agreement or instrument to which the District is a party or by which it or any of its property is bound, or any order, rule or regulation of any court or governmental

body applicable to the District or any of its property, or result in the creation or imposition of any prohibited lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of the District under the terms of any instrument or agreement to which the District is a party.

(e) No official or employee of the District has any significant or conflicting interest, financial or otherwise, in the District Projects or in the transactions contemplated by this Financing Agreement, except as may be expressly authorized by the CID Act and not otherwise prohibited by Sections 67.1401 to 67.1571 of the Revised Statutes of Missouri, as amended; provided, however, that the City and the Authority acknowledge that the five current members of the board of directors of the District, each of whom were appointed by Francis Slay, Mayor of the City, are full-time employees of the Developer.

(f) There is no litigation or proceeding pending or, to the District's knowledge, threatened against the District affecting the right of the District to execute or deliver this Financing Agreement or the ability of the District to comply with its obligations under this Financing Agreement.

ARTICLE III BOND ISSUANCE AND USE OF PROCEEDS

Section 3.1 Authority's Agreement to Issue Bonds. The Authority hereby agrees to issue the Bonds to provide funds to refund the Notes and District Obligations in full, fund a debt service reserve fund for the Bonds, fund capitalized interest on the Bonds, and pay the costs of issuance of the Bonds, as more fully described in the Indenture.

Section 3.2 Use of Proceeds of the Bonds. The proceeds of the sale of the Bonds paid to the Trustee shall be deposited and applied as provided in the Indenture and in this Financing Agreement.

ARTICLE IV FINANCING TERMS, REVENUES, AND RIGHTS AND OBLIGATIONS

Section 4.1 Amount and Source of the Financing. The Authority agrees to deposit with the Trustee, upon the terms and conditions specified herein and in the Indenture, the proceeds received by the Authority from the sale of the Bonds, and to cause such proceeds to be applied in accordance with the Indenture for the refunding of the Notes and District Obligations, the funding of a debt service reserve fund for the Bonds, and the payment of costs of issuance of the Bonds.

Section 4.2 City and District's Obligations to Transfer Revenues to Trustee. On the 10th calendar day of each month (or the next Business Day thereafter if the 10th day is not a Business Day) while the Bonds are outstanding, subject to annual appropriation, the City and District shall each cause to be transferred to the Trustee all Economic Activity Tax Revenues that are sales tax revenues then on deposit in the Special Allocation Fund and all CID Revenues, respectively (collectively, the "*Monthly Revenues*"). Upon receipt of the Monthly Revenues from the City and District, the Trustee shall deposit all Monthly Revenues consisting of

Economic Activity Tax Revenues and all CID Revenues into segregated accounts as provided in the Indenture.

(a) On each March 10, June 10, September 10, and December 10, (or the next Business Day thereafter if such date is not a Business Day) commencing on December 10, 2007, the City shall cause to be transferred to the Trustee all Payments in Lieu of Taxes and, subject to annual appropriation, all Economic Activity Tax Revenues that are not Monthly Revenues on deposit in the Special Allocation Fund (collectively, the “*Quarterly Revenues*”). Upon receipt of the Quarterly Revenues from the City, the Trustee shall deposit all Quarterly Revenues consisting of Payments in Lieu of Taxes and all Quarterly Revenues consisting of Economic Activity Tax Revenues (subject to annual appropriation) into segregated accounts as provided in the Indenture.

(b) In order to facilitate the Trustee’s deposit of revenues into the correct accounts, at the time of transfer to the Trustee, the City and District shall provide a written statement to the Trustee (with a copy to the Underwriter and the Monitor) that clearly identifies, the amount of such transfer constituting of, Economic Activity Tax Revenues, Payment in Lieu of Taxes and CID Revenues, in a form substantially similar to Exhibit A and Exhibit B, respectively.

Section 4.3 Unconditional Performance of the City and District. The City and District covenant and agree with and for the express benefit of the Authority and the Owners of the Bonds that they will pay all TIF Revenues and CID Revenues under Section 4.2 hereof and perform their obligations, covenants and agreements under this Financing Agreement, without notice or demand, and without abatement, deduction, set-off, counterclaim, recoupment or defense or any right of termination or cancellation arising from any circumstances whatsoever.

Section 4.4 Monitor’s Verification. The Monitor shall by the 15th day of each month provide to the Underwriter, the City, the District, the Trustee, and the Authority a report verifying the City’s calculation of available Monthly Revenues and Quarterly Revenues as set forth in the reports of the City required under Section 4.2(b) and Section 5.7 hereof most recently received by the Monitor.

ARTICLE V COVENANTS OF THE CITY

Section 5.1 Covenant to Request Appropriations.

(a) The City covenants and agrees that the officer of the City at any time charged with the responsibility of formulating budget proposals is hereby directed to include in the budget proposal submitted to the Board of Aldermen of the City for each Fiscal Year that the Bonds are Outstanding a request for an appropriation of the Economic Activity Tax Revenues on deposit in the Special Allocation Fund for transfer to the Trustee at the times and in the manner provided in Section 4.2 hereof. The City hereby pledges to the Authority timely payment of all TIF Revenues to the Trustee.

(b) The District covenants and agrees that the director of the District at any time charged with the responsibility of formulating budget proposals is hereby directed to

include in the budget proposal submitted to the Board of Directors of the District for each Fiscal Year that the Bonds are Outstanding a request for an appropriation of the CID Revenues for transfer to the Trustee at the times and in the manner provided in Section 4.2 hereof. The District hereby pledges to the Authority timely payment of all CID Revenues to the Trustee.

Section 5.2 Pledge of Payments in Lieu of Taxes. For so long as the Bonds are Outstanding, the City hereby pledges all Payments in Lieu of Taxes on deposit in the Special Allocation Fund to payment of the Bonds and covenants and agrees to transfer such Payments in Lieu of Taxes to the Trustee at the times and in the manner provided in Section 4.2 hereof.

Section 5.3 Collection of TIF Revenues and CID Revenues. The City shall, at the expense of the Trust Estate, (a) take all lawful action within its control to cause the Assessor of the City to assess the real property and improvements within the Redevelopment Area at the times and in the manner required by the TIF Act, and (b) take such lawful action within its control as may be required to cause the Collector of Revenue of the City and all other Persons to pay all TIF Revenues. The City shall deposit all TIF Revenues in the Special Allocation Fund and transfer such moneys to the Trustee in accordance with Section 4.2 hereof.

The District shall, at the expense of the Trust Estate, take all lawful action within its control to cause the Missouri Department of Revenue to collect the CID Revenues.

Section 5.4 Enforcement of Agreement.

(a) The City shall enforce the provisions of the Redevelopment Agreement in such manner as the City deems prudent and advisable in its good faith discretion. The City may enforce all appropriate available remedies thereunder, including particularly any actual, agreed or liquidated damages for failure to perform under the Redevelopment Agreement, and shall transfer to the Trustee for deposit to the Revenue Fund all sums received on account of such damages.

(b) The City shall notify the Trustee in writing as to any breach of the Redevelopment Agreement that could reasonably be expected to result in a material reduction of TIF Revenues or CID Revenues generated from the Redevelopment Area, and at the time of such notification the City shall also advise the Trustee what action the City proposes to take in enforcing available remedies. If, in the judgment of the Trustee, being advised by counsel, such action is less likely to be effective than some other or additional action, the Trustee shall so advise the City promptly in writing. If, within 30 days following advice by the Trustee that some additional or other action would be more effective, the City has not taken such other or additional action, and the Trustee has not, after consultation with the City, withdrawn such advice, upon receipt of indemnification satisfactory to it, the Trustee is hereby authorized to take such action, whether the action was suggested by the Trustee or otherwise, as the Trustee, being advised by counsel, may deem most expedient and in the interest of the Owners of the Bonds. In furtherance of the rights granted to the Trustee by this Section, the City hereby assigns to the Trustee all of the rights it may have in the enforcement of the Redevelopment Agreement, further authorizing the Trustee in its own name or in the name of the City to bring such actions, employ such counsel, execute such documents and do such other things as may in the judgment of the Trustee be necessary or appropriate under the circumstance at the expense of the Trust Estate.

(c) The City shall not modify, amend or waive any provision of the Redevelopment Agreement without the prior written consent of the Trustee, whose consent shall not be unreasonably withheld or delayed. The Trustee may withhold its consent to any such proposed modification, amendment or waiver of the Redevelopment Agreement if the proposed modification, amendment or waiver may, in the sole judgment of the Trustee, being advised by counsel, adversely affect the security for the Bonds or the interests of the Owners thereof or may adversely affect the exclusion of interest on the Bonds from gross income of the Owners thereof for federal income tax purposes or may impose additional duties on the Trustee that were not contemplated upon the original execution of the Indenture.

Section 5.5 Assignment of Financing Agreement by City and District. Neither the City nor the District shall assign any of its right, title and interest in, to and under this Financing Agreement without the prior written consent of the Authority.

Section 5.6 Tax Covenants of the City and District. The City and District each covenant and agree that they will not take any action or permit any action to be taken that would adversely affect the exclusion from gross income for federal income tax purposes of the interest on the Bonds and will take whatever action, or refrain from whatever action, necessary to comply with the requirements of the Internal Revenue Code to maintain the exclusion from gross income for federal income tax purposes of the interest on the Bonds. The City and District shall provide for all rebate payments required under Section 148(f) of the Internal Revenue Code to the extent such amounts are not available to the Trustee.

Section 5.7 Covenant to Report Revenues. The City and District covenant and agree that they shall provide to the Underwriter and the Monitor (a) on a monthly basis, a report of all sales tax revenues (that are Economic Activity Tax Revenues) and CID Revenues received for the previous month; and (b) on a quarterly basis, a report of all Economic Activity Tax Revenues and CID Revenues (that are not sales tax revenues) and Payments in Lieu of Taxes received for the previous quarter. In addition, the City and District agree to cooperate with the Monitor for verification of calculations and deposits of the TIF Revenues and CID Revenues.

ARTICLE VI PARTICULAR COVENANTS

Section 6.1 Indemnification.

(a) To the extent permitted by law, the City releases the Authority and the Trustee from, agrees that the Authority and the Trustee shall not be liable for, and indemnifies the Authority and the Trustee against, all liabilities, losses, damages (including reasonable attorneys' fees and expenses), causes of action, suits, claims, costs and expenses, demands and judgments of any nature imposed upon or asserted against the Authority or the Trustee without negligence or willful misconduct on the part of the Authority and the Trustee on account of: (i) any breach or default on the part of the City in the performance of any covenant or agreement of the City under this Financing Agreement, the Bonds or any related document, or arising from any act or failure to act by the City, or any of its agents, contractors, servants, employees or licensees; (ii) the provision of any information furnished by the City in connection with the authorization, issuance and sale of the Bonds or arising from (1) any errors or omissions of the

City such that the Bonds, when delivered to the Owners, are not validly issued and binding obligations of the Authority or (2) any fraud or misrepresentations or omissions contained in the proceedings of the Authority or the Trustee furnished by or attributable to the City relating to the issuance of the Bonds or pertaining to the financial condition of the City which, if known to the original purchaser of the Bonds, might reasonably be considered a material factor in its decision to purchase the Bonds; and (iii) any claim or action or proceeding with respect to the matters set forth in subsections (i) and (ii) above brought thereon. Notwithstanding the foregoing, the City shall not indemnify the Authority, the Trustee, or their respective members, directors, officers, employees and agents against liability for damages arising out of their own willful, malicious or negligent acts or omissions, or willful, malicious or negligent acts or omissions of their own members, directors, officers, agents or employees. Satisfaction of the indemnification obligations of the City set forth in this Section shall be had solely from the TIF Revenues and from no other sources.

(b) To the extent permitted by law, the District releases the Authority and the Trustee from, agrees that the Authority and the Trustee shall not be liable for, and indemnifies the Authority and the Trustee against, all liabilities, losses, damages (including reasonable attorneys' fees and expenses), causes of action, suits, claims, costs and expenses, demands and judgments of any nature imposed upon or asserted against the Authority or the Trustee without negligence or willful misconduct on the part of the Authority and the Trustee on account of: (i) any breach or default on the part of the District in the performance of any covenant or agreement of the District under this Financing Agreement, the Bonds or any related document, or arising from any act or failure to act by the District, or any of its agents, contractors, servants, employees or licensees; (ii) the provision of any information furnished by the District in connection with the authorization, issuance and sale of the Bonds or arising from (1) any errors or omissions of the District such that the Bonds, when delivered to the Owners, are not validly issued and binding obligations of the Authority or (2) any fraud or misrepresentations or omissions contained in the proceedings of the Authority or the Trustee furnished by or attributable to the District relating to the issuance of the Bonds or pertaining to the financial condition of the District which, if known to the original purchaser of the Bonds, might reasonably be considered a material factor in its decision to purchase the Bonds; and (iii) any claim or action or proceeding with respect to the matters set forth in subsections (i), and (ii) above brought thereon. Notwithstanding the foregoing, the District shall not indemnify the Authority, the Trustee, or their respective members, directors, officers, employees and agents against liability for damages arising out of their own willful, malicious or negligent acts or omissions, or willful, malicious or negligent acts or omissions of their own members, directors, officers, agents or employees. Satisfaction of the indemnification obligations of the District set forth in this Section shall be had solely from the CID Revenues and from no other sources.

(c) In case any action or proceeding is brought against the Authority or the Trustee in respect of which indemnity may be sought hereunder, the party seeking indemnity shall promptly give notice of that action or proceeding to the City and/or District, and the City and/or District upon receipt of that notice shall have the obligation and the right to assume the defense of the action or proceeding; provided, that failure of a party to give that notice shall not relieve the City or District from any of its obligations under this Section unless that failure prejudices the defense of the action or proceeding by the City or District. At its own expense, an

indemnified party may employ separate legal counsel and participate in the defense. Neither the City nor District shall not be liable for any settlement without its consent.

(d) 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 Authority and the Trustee, respectively. That indemnification is intended to and shall be enforceable by the Authority and the Trustee, respectively, to the full extent permitted by law.

Section 6.2 Further Assurances and Corrective Instruments. Subject to the terms of the Indenture, the Authority, the City, and District 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 Redevelopment Area and for carrying out the intention or facilitating the performance of this Financing Agreement.

Section 6.3 TIF and CID Reports. The City shall timely prepare and file all reports required under the TIF Act or by the Missouri Department of Economic Development in connection with the Redevelopment Plan. The District shall timely prepare and file all reports required under the CID Act. Pursuant to Section 5.7 hereof, the City and District shall timely provide to the Monitor the reports of Monthly Revenue and Quarterly Revenue and shall cooperate with the Monitor as may be requested. Any reports prepared pursuant to this Section shall also be promptly delivered by the City and District to the Trustee.

Section 6.4 Litigation Notice. The City and District shall each give the Authority and the Trustee 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 ability of the City and/or District to perform its obligations hereunder, as applicable, or would materially and adversely affect its business, operations, properties, assets or condition. Within one Business Day after the filing by or against the City or District of a petition in bankruptcy, the City or District, as applicable, shall notify the Trustee in writing as to the occurrence of such filing.

ARTICLE VII

ASSIGNMENT OF AUTHORITY'S RIGHTS UNDER FINANCING AGREEMENT

Section 7.1 Assignment by the Authority. The Authority, 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, including TIF Revenues, CID Revenues and other revenues, moneys and receipts received by it pursuant to this Financing Agreement, to the Trustee. The Trustee is hereby given the right to enforce, either jointly with the Authority or separately, the performance of the obligations of the City and the District, and the City and the District hereby consent to the same and agree that the Trustee may enforce such rights as payments required hereunder directly to the Trustee. This Financing Agreement recognizes that the Trustee is a third party creditor-beneficiary hereof.

Section 7.2 Restriction on Transfer of Authority’s Rights. The Authority will not sell, assign, transfer or convey its interests in this Financing Agreement except pursuant to the Indenture or this Financing Agreement.

**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 City or District to make timely payment of any TIF Revenues or CID Revenues, as applicable, when due.

(b) Failure by the City or District to make a timely request for appropriations of Economic Activity Tax Revenues or CID Revenues, as applicable, pursuant to Section 5.1.

(c) Failure by the City or District to observe and perform any covenant, condition or agreement on the part of the City or the District, as applicable, under this Financing Agreement, other than as referred to in the preceding subsection (a) or (b) of this Section, for a period of 60 days after written notice of such default has been given to the City or District by the Authority or the Trustee during which time such default is neither cured by the City or District, as applicable, nor waived in writing by the Authority and the Trustee, provided that, if the failure stated in the notice cannot be corrected within said 60-day period, the Authority and the Trustee may consent in writing to an extension of such time prior to its expiration. The Authority and the Trustee will not unreasonably withhold their consent to such an extension if corrective action is instituted by the City or District, as applicable, 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 Owners.

(d) Any material representation or warranty by the City or District herein or in any certificate or other instrument delivered under or pursuant to this Financing Agreement or in connection with the financing of the Refunding 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 Authority and the Trustee.

(e) The Indenture at any time shall prove not to be a valid, binding and enforceable agreement of the Authority or shall not constitute a valid assignment of the rights of the Authority under this Financing Agreement described in Section 7.1 purportedly assigned under the Indenture and effective to vest in the Trustee all such rights of the Authority in, to and under this Financing Agreement, including the right to enforce this Financing Agreement in accordance with its terms.

(f) The filing by the City or District of a voluntary petition in bankruptcy, or failure by the City or District to promptly lift any execution, garnishment or attachment of such consequence as would impair the ability of the City or District to carry on its operation, as applicable, or adjudication of the City or District as bankrupt, or assignment by the City or District for the benefit of creditors, or the entry by the City or District into an agreement of composition with creditors, or the approval by a court of competent jurisdiction of a petition

applicable to the City or District in any proceedings instituted under the provisions of federal bankruptcy law, or under any similar acts which may hereafter be enacted.

Section 8.2 Remedies on Default. Whenever any Event of Default has occurred and is continuing, the Trustee, as the assignee of the Authority, may pursue any available remedy at law or equity by suit, action, mandamus or other proceeding to enforce the payment of the TIF Revenues and CID Revenues pursuant to Section 4.2 hereof, and to enforce and compel the performance of the duties and obligations of the City or the District, as applicable, as herein set forth; provided, however, that such remedy may be satisfied solely from the TIF Revenues and CID Revenues and from no other source.

If an Event of Default has occurred and is continuing, the Trustee may, and shall upon the written request of a majority in aggregate principal amount of the Bonds then Outstanding, by notice in writing delivered to the Authority, declare the principal of all Bonds then Outstanding and the interest accrued thereon immediately due and payable.

Any amount collected pursuant to action taken under this Section shall be paid to the Trustee and applied, first, to the payment of any reasonable costs, expenses and fees incurred by the Authority or the Trustee as a result of taking such action and, second, any balance shall be deposited into the Revenue Fund and applied in accordance with the Indenture.

Notwithstanding the foregoing, the Trustee shall not be obligated to take any step that in its opinion will or might cause it to expend time or money or otherwise incur liability, unless and until satisfactory indemnity has been furnished to the Trustee at no cost or expense to the Trustee.

If any covenant, condition or agreement contained in this Financing Agreement is breached or any Event of Default has occurred and such breach or Event of Default is thereafter waived by the Trustee, such waiver shall be limited to such particular breach or Event of Default.

Section 8.3 No Remedy Exclusive. 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 an Event of 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 herein expressly required.

Section 8.4 Authority, City, and District to Give Notice of Default. The Authority, the City, and District shall each promptly give to the Trustee written notice of any Event of Default of which the Authority or City or District, as the case may be, shall have actual knowledge or written notice, but neither the Authority nor City nor District shall be liable for failing to give such notice.

Section 8.5 Remedial Rights Assigned to the Trustee. Upon the execution and delivery of the Indenture, the Authority will thereby have assigned to the Trustee all rights and

remedies conferred upon or reserved to the Authority by this Financing Agreement. The Trustee shall have the exclusive right to exercise such rights and remedies conferred upon or reserved to the Authority 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 and the Owners shall be deemed third party creditor-beneficiaries of all representations, warranties, covenants and agreements contained herein.

ARTICLE IX PREPAYMENT AND ACCELERATION OF PAYMENTS

Section 9.1 Optional Prepayment. At the written direction of the City or District, the Authority shall cause the Bonds or any portion thereof to be redeemed pursuant to any optional redemption provisions of the Indenture; provided that the City or District shall provide funds sufficient to redeem the Bonds in whole or in part at the times and at the prepayment prices sufficient to effectuate such redemption in accordance with the Indenture.

Section 9.2 Notice of Prepayment. To exercise an option granted by Section 9.1 hereof, the City or District shall give written notice to the Authority and the Trustee which shall specify therein the date upon which a prepayment of TIF Revenues or CID Revenues 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 Authority 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 the redemption provisions of the Indenture.

Section 9.3 Precedence of this Article. The rights, options and obligations of the City and District set forth in this Article may be exercised or shall be fulfilled, as the case may be, whether or not an Event of Default exists hereunder, provided that such Event of 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) hereof.

ARTICLE X MISCELLANEOUS

Section 10.1 Authorized Representatives. Whenever under this Financing Agreement the approval of the Authority is required or the Authority is required or permitted to take some action, such approval shall be given or such action shall be taken by an Authorized Authority Representative, and the City, the District, and the Trustee shall be authorized to act on any such approval or action.

Whenever under this Financing Agreement the approval of the City is required or the City is required or permitted to take some action, such approval shall be given or such action shall be taken by an Authorized City Representative, and the Authority, the District, and the Trustee shall be authorized to act on any such approval or action.

Whenever under this Financing Agreement the approval of the District is required or the District is required or permitted to take some action, such approval shall be given or such action

To the City at: City of St. Louis, Missouri
1200 Market Street, Room 212
St. Louis, MO 63103
Attention: Comptroller
Telephone: (314) 622-4389
Facsimile: (314) 622-4026

With a copy to: Steven J. Kovac, Esq.
The City of St. Louis, Missouri
1200 Market Street, Room 314
St. Louis, MO 63103
Telephone: (314) 622-3361
Facsimile: (314) 622-4956

To the District at: Loughborough Commons Community
Improvement District
c/o The DESCO Group
25 North Brentwood Boulevard
St. Louis, MO 63105
Attention: Michael Sullivan, Chairman
Telephone: (314) 994-4444
Facsimile: (314) 994-4073

With a copy to: Greensfelder, Hemker & Gale, P.C.
10 South Broadway, Suite 2000
St. Louis, MO 63102
Attention: Vincent J. Garozzo
Telephone: (314) 516-2624
Facsimile: (314) 241-8624

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, is not 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 Authority, the City, the District, and their respective successors and assigns, subject to the provisions contained in Section 5.5.

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 the Indenture and provision being made for the payment of all sums payable under the Indenture, this Financing Agreement may not be effectively amended, changed, modified, altered or terminated without the concurring written consent of the Trustee.

Section 10.7 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 10.8 No Pecuniary Liability. No provision, representation, covenant or agreement contained in this Financing Agreement or in the Indenture, the Bonds, or any obligation herein or therein imposed upon the Authority, or the breach thereof, shall constitute or give rise to or impose upon the Authority a pecuniary liability (except to the extent of any loan repayments, revenues and receipts derived by the Authority pursuant to this Financing Agreement). No provision hereof shall be construed to impose a charge against the general credit of the Authority or any personal or pecuniary liability upon any director, official or employee of the Authority.

Section 10.9 Extent of Covenants of the Authority and the City and District; No Personal or Pecuniary Liability. All covenants, obligations and agreements of the Authority, the City, and District contained in this Financing Agreement and all covenants, obligations and agreements of the Authority contained in the Indenture 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 member, officer, agent or employee of the Authority, the City, or District in other than his official capacity, and no official of the Authority 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 by reason of the covenants, obligations or agreement of the Authority, the City, or District contained in this Financing Agreement or in the Indenture. No provision, covenant or agreement contained in this Financing Agreement, the Indenture or the Bonds, or any obligation herein or therein imposed upon the Authority or the City or District, or the breach thereof, shall constitute or give rise to or impose upon the Authority or the City or District a pecuniary liability or a charge upon the general credit or taxing powers of the State or any political subdivision thereof.

Section 10.10 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 10.11 Governing Law. This Financing Agreement shall be governed by and construed in accordance with the laws of the State of Missouri.

(The remainder of this page is intentionally left blank.)

IN WITNESS WHEREOF, the Authority has caused this Financing Agreement to be executed in its name.

[SEAL]

**THE INDUSTRIAL DEVELOPMENT
AUTHORITY OF THE CITY OF ST.
LOUIS, MISSOURI**

By:

Rodney Crim, Executive Director

ATTEST:

By: _____
Patrick Bannister, Assistant Secretary

IN WITNESS WHEREOF, the City has caused this Financing Agreement to be executed in its name.

[SEAL]

CITY OF ST. LOUIS, MISSOURI

APPROVED AS TO FORM

By: _____
Francis G. Slay
Mayor

By: _____
Steven J. Kovac
Deputy City Counselor

By: _____
Darlene Green
Comptroller

ATTEST:

Parrie L. May
Register

IN WITNESS WHEREOF, the District has caused this Financing Agreement to be issued in its name.

[SEAL]

**LOUGHBOROUGH COMMONS
COMMUNITY IMPROVEMENT
DISTRICT**

By: _____
Michael Sullivan, Chairman

EXHIBIT A

FORM OF CITY'S REPORT

[Date]

UMB Bank, N.A.
2 South Broadway, Suite 435
St. Louis, Missouri 63101
Attention: Corporate Trust Department

Stifel, Nicolaus & Company, Incorporated
501 North Broadway, 8th Floor
St. Louis, Missouri 63102
Attention: James J. Lahay

Re: The Industrial Development Authority of the City of St. Louis, Missouri, Tax Increment and Community Improvement District Refunding Revenue Bonds, Series 2007 (Loughborough Commons Redevelopment Project)

Ladies and Gentlemen:

Please be advised that during the [month of _____, 20__][quarter ending _____, 20__], the City of St. Louis, Missouri received the following TIF Revenues:

<u>Revenue Source</u>	<u>Amount</u>	<u>Account</u>
EATs	\$	EATs Account of Revenue Fund
PILOTs		PILOTs Account of Revenue Fund
Total Revenues	\$	

All moneys so received, totaling \$_____, have been transferred to UMB Bank, N.A., as Trustee (the "*Trustee*") under the Trust Indenture dated as of November 1, 2007 between the Trustee and The Industrial Development Authority of the City of St. Louis, Missouri. All capitalized terms not defined herein shall have the meanings ascribed for them in said Indenture.

CITY OF ST. LOUIS, MISSOURI

By: _____
Authorized City Representative

EXHIBIT B

FORM OF DISTRICT'S REPORT

[Date]

UMB Bank, N.A.
2 South Broadway, Suite 435
St. Louis, Missouri 63101
Attention: Corporate Trust Department

Stifel, Nicolaus & Company, Incorporated
501 North Broadway, 8th Floor
St. Louis, Missouri 63102
Attention: James J. Lahay

**Re: The Industrial Development Authority of the City of St. Louis,
Missouri, Tax Increment and Community Improvement District
Refunding Revenue Bonds, Series 2007 (Loughborough Commons
Redevelopment Project)**

Ladies and Gentlemen:

Please be advised that during the month of _____, [year], the Loughborough Commons Community Improvement District received CID Revenues totaling \$_____, which have been transferred to UMB Bank, N.A., as Trustee (the "*Trustee*") under the Trust Indenture dated as of November 1, 2007 between the Trustee and The Industrial Development Authority of the City of St. Louis, Missouri, for deposit into the CID Revenues Account of Revenue Fund. All capitalized terms not defined herein shall have the meanings ascribed for them in said Indenture.

**LOUGHBOROUGH COMMONS
COMMUNITY IMPROVEMENT DISTRICT**

By: _____
Authorized District Representative

RESOLUTION NO. 2007-16

A RESOLUTION OF THE LOUGHBOROUGH COMMONS COMMUNITY IMPROVEMENT DISTRICT AUTHORIZING AND ADOPTING A FISCAL AGENT AGREEMENT WITH UMB BANK, N.A.

WHEREAS, pursuant to the Community Improvement District Act, Sections 67.1401 to 67.1571 of the Revised Statutes of Missouri, as amended (the "CID Act"), the City of St. Louis, Missouri (the "City") adopted Ordinance No. 67088 on May 17, 2006 (the "Ordinance"), establishing the Loughborough Commons Community Improvement District (the "District");

WHEREAS, pursuant to the Ordinance and the Petition signed by representatives of more than fifty percent per capital of all property owners within the District, the Mayor of the City appointed members of the board of directors of the District serving such terms as designated by the Mayor of the City;

WHEREAS, the District executed that certain Trust Indenture (the "Indenture") between the District and UMB Bank, N.A., as trustee (the "Trustee");

WHEREAS, the District has authorized and adopted the final form of the Financing Agreement (the "Financing Agreement") by and among The Industrial Development Authority of the City of St. Louis, Missouri (the "IDA"), the City, and the District; and

WHEREAS, the District desires that the Trustee exercise those duties and powers enumerated in the Indenture and the Financing Agreement as a fiscal agent of the District;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE LOUGHBOROUGH COMMONS COMMUNITY IMPROVEMENT DISTRICT AS FOLLOWS:

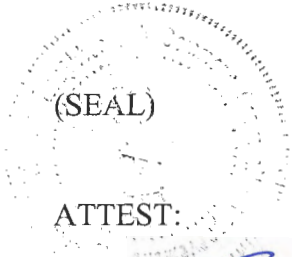
1. The Chairman of the Board of Directors is authorized to execute, and the Secretary of the Board of Directors is authorized to attest, a fiscal agent agreement ("Fiscal Agent Agreement"), between the District and U.S. Bank, N.A., in substantially the form attached hereto as Exhibit A, with such changes therein as shall be approved by the Chairman of the Board of Directors, such officer's signature thereon being conclusive evidence of his approval thereof.

2. The District shall, and the officials, agents and employees of the District 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 District with respect to the Financing Agreement.

3. This Resolution shall take effect and be in full force from and after the date of its adoption by the Board of Directors.

This Resolution was adopted at the meeting of the Board of Directors of the District duly called and held on this date. This Resolution shall be filed by the Custodian of Records of the District with the minutes of the meetings of the Board of Directors.

Approved this 26th day of October, 2007.



ATTEST:

A handwritten signature in blue ink, appearing to read "M. Anthon".

Michael L. Anthon,
Secretary of the Board of Directors

A handwritten signature in blue ink, appearing to read "Michael B. Sullivan".

Michael B. Sullivan,
Chairman of the Board of Directors

Exhibit A

Fiscal Agent Agreement

SEE ATTACHED

**LOUGHBOROUGH COMMONS
COMMUNITY IMPROVEMENT DISTRICT**

Notice of Open Meeting of the Board of Directors

Notice is hereby given that the Board of Directors of Loughborough Commons Community Improvement District will conduct a meeting at 9:00 a.m. on Monday, November 26, 2007, at the offices of Greensfelder, Hemker & Gale, P.C., 10 South Broadway, Suite 2000, St. Louis, Missouri 63102, to consider and act upon the following:

1. Roll Call
2. Adoption of Resolution No. 2007-17, entitled:

**A RESOLUTION OF THE LOUGHBOROUGH COMMONS COMMUNITY
IMPROVEMENT DISTRICT RATIFYING THE MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS HELD ON OCTOBER 26, 2007.**

3. Adoption of Resolution No. 2007-18, entitled:

**A RESOLUTION AUTHORIZING ALL ACTIONS NECESSARY OR PROPER
PURSUANT TO THE ISSUANCE OF THE REFUNDING REVENUE
BONDS, SERIES 2007, BY THE INDUSTRIAL DEVELOPMENT AUTHORITY
OF THE CITY OF ST. LOUIS, MISSOURI.**

4. Adoption of Resolution No. 2007-19, entitled:

**A RESOLUTION OF THE LOUGHBOROUGH COMMONS COMMUNITY
IMPROVEMENT DISTRICT AUTHORIZING THE ISSUANCE OF A
SUBORDINATED COMMUNITY IMPROVEMENT REVENUE NOTE, SERIES
2007, AND AUTHORIZING THE EXECUTION OF A SUPPLEMENT TO THE
TRUST INDENTURE.**

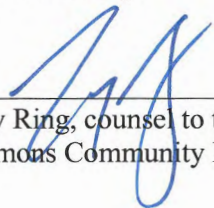
5. Discussion regarding setting date, time and place for the next meeting of the Board of Directors.

Some of the Board of Directors may participate by telephone or other electronic means. Any member of the public may observe and attend the meeting at the office identified above. Representatives of the news media may obtain copies of this notice by contacting: Tracy R. Ring c/o Greensfelder, Hemker & Gale, P.C., 10 South Broadway, Suite 2000, St. Louis, Missouri 63102, 314-516-2620. Persons with disabilities wishing to attend may contact Tracy R. Ring at the address and telephone number provided above prior to the meeting if accommodations are required.

AFFIDAVIT

State of Missouri)
) ss.
City of St. Louis)

I, Tracy Ring, counsel to the Loughborough Commons Community Improvement District, being first duly sworn, state and certify that the attached notice of the meeting of the Board of Directors of the Loughborough Commons Community Improvement District to be held at 9:00 a.m. on November 26, 2007, (1) was posted at least 24 hours prior to the commencement of the meeting on a bulletin board or other prominent place at the offices of Greensfelder, Hemker & Gale, P.C., 10 South Broadway, Suite 2000, St. Louis, Missouri 63102, which is easily accessible to the public, and (2) was made available to any representative of the news media who requested notice of the meeting.



Tracy Ring, counsel to the Loughborough
Commons Community Improvement District

Subscribed and sworn to before me this 21st day of November, 2007.



Notary Public

(SEAL)

My commission expires:



DEBRA J. SPAETHE
My Commission Expires
June 5, 2011
St. Louis County
Commission #07534292

**LOUGHBOROUGH COMMONS
COMMUNITY IMPROVEMENT DISTRICT**

Notice of Open Meeting of the Board of Directors

Notice is hereby given that the Board of Directors of Loughborough Commons Community Improvement District will conduct a meeting at 9:00 a.m. on Monday, November 26, 2007, at the offices of Greensfelder, Hemker & Gale, P.C., 19 South Broadway, Suite 2000, St. Louis, Missouri 63102, to consider and act upon the following:

1. Roll Call
2. Adoption of Resolution No. 2007-17, entitled:

**A RESOLUTION OF THE LOUGHBOROUGH COMMONS COMMUNITY
IMPROVEMENT DISTRICT RATIFYING THE MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS HELD ON OCTOBER 26, 2007.**

3. Adoption of Resolution No. 2007-18, entitled:

**A RESOLUTION AUTHORIZING ALL ACTIONS NECESSARY OR PROPER
PURSUANT TO THE ISSUANCE OF THE REFUNDING REVENUE
BONDS, SERIES 2007, BY THE INDUSTRIAL DEVELOPMENT AUTHORITY
OF THE CITY OF ST. LOUIS, MISSOURI.**

4. Adoption of Resolution No. 2007-19, entitled:

**A RESOLUTION OF THE LOUGHBOROUGH COMMONS COMMUNITY
IMPROVEMENT DISTRICT AUTHORIZING THE ISSUANCE OF A
SUBORDINATED COMMUNITY IMPROVEMENT REVENUE NOTE, SERIES
2007B, AND AUTHORIZING THE EXECUTION OF A SUPPLEMENT TO THE
TRUST INDENTURE.**

5. Discussion regarding setting date, time and place for the next meeting of the Board of Directors.

Some of the Board of Directors may participate by telephone or other electronic means. Any member of the public may observe and attend the meeting at the office identified above. Representatives of the news media may obtain copies of this notice by contacting: Tracy R. Ring c/o Greensfelder, Hemker & Gale, P.C., 10 South Broadway, Suite 2000, St. Louis, Missouri 63102, 314-516-2620. Persons with disabilities wishing to attend may contact Tracy R. Ring at the address and telephone number provided above prior to the meeting if accommodations are required.

ALPHAVIT

State of Missouri

ss.

City of St. Louis

I, Lisa McNichols, Administrative Assistant to the Board of Aldermen of the City of St. Louis, Missouri, being first duly sworn, state and certify that the attached notice of the meeting of the Board of Directors of the Loughborough Commons Community Improvement District to be held at 9:00 a.m. on November 26, 2007, (1) was posted at least 24 hours prior to the commencement of the meeting on a bulletin board or other prominent place at St. Louis City Hall, 1200 Marker Street, St. Louis, Missouri 63103 which is easily accessible to the public, and (2) was made available to any representative of the news media who requested notice of the meeting.

Lisa R. McNichols

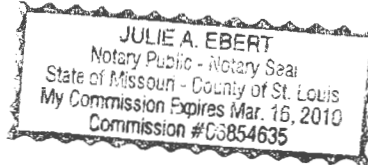
Lisa McNichols,
Administrative Assistant to the Board of
Aldermen of the City of St. Louis, Missouri

Subscribed and sworn to before me this 21 day of November, 2007.

Julie A. Ebert

Notary Public

(SEAL)



My commission expires:

RESOLUTION NO. 2007-17

**A RESOLUTION OF THE LOUGHBOROUGH COMMONS COMMUNITY
IMPROVEMENT DISTRICT RATIFYING THE MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS HELD ON OCTOBER 26, 2007**

WHEREAS, pursuant to the Community Improvement District Act, Sections 67.1401 to 67.1571 of the Revised Statutes of Missouri, as amended (the "CID Act"), the City of St. Louis, Missouri (the "City") adopted Ordinance No. 67088 on May 17, 2006 (the "Ordinance"), establishing the Loughborough Commons Community Improvement District (the "District");

WHEREAS, pursuant to the Ordinance and the Petition signed by representatives of more than fifty percent per capital of all property owners within the District, the Mayor of the City appointed members of the board of directors of the District serving such terms as designated by the Mayor of the City;

WHEREAS, pursuant to Paragraph 8 of Article IV of the Bylaws of the District, the Board of Directors shall conduct all meetings of the Board of Directors in accordance with the Sunshine Law of the State of Missouri; and

WHEREAS, pursuant to Section 610.020.7 of the Revised Statutes of Missouri, the Sunshine Law requires that minutes of meetings be taken and retained by the District.

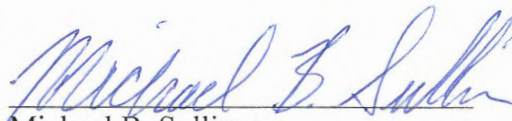
**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF
DIRECTORS OF THE LOUGHBOROUGH COMMONS COMMUNITY
IMPROVEMENT DISTRICT AS FOLLOWS:**

1. The Board of Directors of the District hereby ratifies the minutes of the meeting of the Board of Directors held on October 26, 2007 attached hereto as Exhibit A and directs the Secretary of the Board of Directors to attest to such minutes as ratified.
2. The Board of Directors of the District hereby directs that the minutes so attested and ratified be retained in the records of the District.
3. This resolution shall be in full force and effect from and after its adoption by the Board of Directors.

[This space intentionally blank; signature page to follow]

This Resolution was adopted at the meeting of the Board of Directors of the District duly called and held on this date. This Resolution shall be filed by the Custodian of Records of the District with the minutes of the meetings of the Board of Directors.

Approved this 26th day of November, 2007.



Michael B. Sullivan,
Chairman of the Board of Directors



(SEAL)

ATTEST:



Michael L. Anthon,
Secretary of the Board of Directors

Exhibit A
Minutes of the October 26, 2007 Meeting of the Board of Directors

SEE ATTACHED

MINUTES

MEETING OF THE BOARD OF DIRECTORS OF THE LOUGHBOROUGH COMMONS COMMUNITY IMPROVEMENT DISTRICT

October 26, 2007

A meeting of the Board of Directors of the Loughborough Commons Community Improvement District ("District") was held at 10 South Broadway, Suite 2000, St. Louis, Missouri 63102, on Friday, October 26, 2007, at 3:00 p.m.

1. Roll Call

The following members of the Board of Directors were present in person or via telephone conference and thereby constituted a quorum of the Directors:

Michael Sullivan
Karen Mills
Patricia McDougell
Michael Anthon

The following guests of the Board of Directors were present:

Tracy Ring
Brian McMaster

2. Considerations and Resolutions

A. The matter of ratifying the Minutes of the October 19, 2007 meeting of the Board of Directors of the District came on for consideration and was discussed. After consideration and discussion by the Board, Director Mills moved for the adoption of Resolution No. **2007-14**, titled as follows:

A RESOLUTION OF THE LOUGHBOROUGH COMMONS COMMUNITY IMPROVEMENT DISTRICT RATIFYING THE MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS HELD ON OCTOBER 19, 2007

Director Sullivan seconded the motion. Thereupon, the resolution was put to a roll call vote, and was passed by the following vote:

Aye: Michael Sullivan
Karen Mills
Patricia McDougell
Michael Anthon

Nay: None

Thereupon, the Chairman declared said Resolution duly passed and the Resolution was then signed by the Chairman and attested and certified by the Secretary.

B. The matter of authorizing and adopting the final form of the financing agreement with the Industrial Development Authority of the City of St. Louis, Missouri and the City of St. Louis, Missouri came on for consideration and was discussed. After consideration and discussion by the Board, Director Anthon made a motion for the adoption of Resolution No. **2007-15**, titled as follows:

A RESOLUTION OF THE LOUGHBOROUGH COMMONS COMMUNITY IMPROVEMENT DISTRICT AUTHORIZING AND ADOPTING THE FINAL FORM OF THE FINANCING AGREEMENT WITH THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF ST. LOUIS, MISSOURI AND THE CITY OF ST. LOUIS, MISSOURI AND ASSIGNING CID REVENUES TO THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF ST. LOUIS, MISSOURI FOR THE PURPOSE OF PAYING THE PRINCIPAL OF AND INTEREST ON THE REFUNDING REVENUE BONDS, SERIES 2007

Director McDougell seconded the motion. Thereupon, the resolution was put to a roll call vote, and was passed by the following vote:

Aye: Michael Sullivan
Karen Mills
Patricia McDougell
Michael Anthon

Nay: None

Thereupon, the Chairman declared said Resolution duly passed and the Resolution was then signed by the Chairman and attested and certified by the Secretary.

C. The matter of authorizing and adopting a fiscal agent agreement with UMB Bank, N.A. came on for consideration and was discussed. After consideration and discussion by the Board, Director Sullivan made a motion for the adoption of Resolution No. **2007-16**, titled as follows:

A RESOLUTION OF THE LOUGHBOROUGH COMMONS COMMUNITY IMPROVEMENT DISTRICT AUTHORIZING AND ADOPTING A FISCAL AGENT AGREEMENT WITH UMB BANK, N.A.

Director Anthon seconded the motion. Thereupon, the resolution was put to a roll call vote, and was passed by the following vote:

Aye: Michael Sullivan
Karen Mills
Patricia McDougell
Michael Anthon

Nay: None

Thereupon, the Chairman declared said Resolution duly passed and the Resolution was then signed by the Chairman and attested and certified by the Secretary.

3. New Business

After consideration and voting on the above resolutions, the following new business matters came on for consideration: None

4. Adjournment

There being no further business to come before the Board of Directors, upon motion duly made by Director Sullivan, seconded by Director Anthon and unanimously carried by the Board of Directors, the meeting was adjourned.



Michael Anthon, Secretary of the Board of Directors

RESOLUTION NO. 2007-18

**A RESOLUTION AUTHORIZING ALL ACTIONS NECESSARY OR PROPER
PURSUANT TO THE ISSUANCE OF THE REFUNDING REVENUE
BONDS, SERIES 2007, BY THE INDUSTRIAL DEVELOPMENT AUTHORITY
OF THE CITY OF ST. LOUIS, MISSOURI.**

WHEREAS, pursuant to the Community Improvement District Act, Sections 67.1401 to 67.1571 of the Revised Statutes of Missouri, as amended (the "CID Act"), the City of St. Louis, Missouri (the "City") adopted Ordinance No. 67088 on May 17, 2006 (the "Ordinance"), establishing the Loughborough Commons Community Improvement District (the "District"); and

WHEREAS, pursuant to the official results of the mail-in ballot from the qualified voters of the District of an election held on Tuesday, September 26, 2006, as certified by the St. Louis City Board of Election Commissioners September 28, 2006, the qualified voters of the District approved the imposition of a sales and use tax pursuant to Section 67.1545 of the CID Act in an aggregate amount equal to 1.000% (the "CID Sales Tax") for the purpose of financing the costs of certain community improvements and paying the costs of formation and operation of the District; and

WHEREAS, the District issued its Community Improvement Revenue Note, Series 2007, to Loughborough Commons, L.L.C., a Missouri limited liability company (the "Developer") in the aggregate principal amount of \$3,925,000 (the "Original Note"); and

WHEREAS, the Original Note is being partially redeemed with the proceeds of the issuance of Revenue Refunding Bonds, Series 2007 (the "Refunding Bonds"), by the Industrial Development Authority of the City of St. Louis, Missouri (the "IDA"); and

WHEREAS, pursuant to the issuance of the Refunding Bonds, the officers of the District shall take all necessary and proper action to facilitate the issuance of the Refunding Bonds and redemption of the Original Note; and

WHEREAS, pursuant to Section 67.1451.8 of the CID Act, the board of directors of a community improvement district is authorized to act on behalf of the District.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF
THE LOUGHBOROUGH COMMONS COMMUNITY IMPROVEMENT DISTRICT AS
FOLLOWS:**

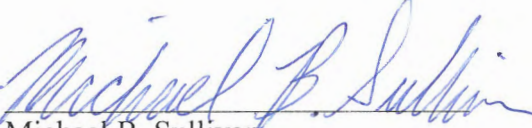
1. The District shall, and the officers, agents and employees of the District are hereby authorized and directed to, take such further action, and execute such other documents, certificates and instruments, as may be necessary or desirable to facilitate the issuance of the Refunding Bonds, the redemption of the Original Note, the pledge of CID Revenues and such other action as may be necessary and proper in furtherance thereof, including but not limited to actions permitted or required pursuant to the Bond Indenture, the Financing Agreement (as defined in the District Resolution No. 2007-15) or the Fiscal Agent Agreement (as defined in the District Resolution No. 2007-16).

2. The Chairman or Treasurer of the District are hereby authorized and directed to execute and deliver for and on behalf of the District, and the Secretary is hereby authorized and directed where appropriate to attest, all certificates, documents, agreements, or other instruments, and the Chairman or Treasurer of the District are hereby authorized and directed to take any and all actions, as may be necessary, desirable, convenient or proper to carry out and comply with the provisions of all agreements or contracts, necessary or reasonably incidental to the implementation of this Resolution.

3. This Resolution shall take effect and be in full force from and after the date of its adoption by the Board of Directors.

This Resolution was adopted at the meeting of the Board of Directors of the District duly called and held on this date. This Resolution shall be filed by the Custodian of Records of the District with the minutes of the meetings of the Board of Directors.

Approved this 26th day of November, 2007.


Michael B. Sullivan,
Chairman of the Board of Directors

(SEAL)

ATTEST:



Michael L. Anthon,
Secretary of the Board of Directors

RESOLUTION NO. 2007-19

**A RESOLUTION OF THE LOUGHBOROUGH COMMONS COMMUNITY
IMPROVEMENT DISTRICT AUTHORIZING THE ISSUANCE OF A
SUBORDINATED COMMUNITY IMPROVEMENT REVENUE NOTE, SERIES 2007,
AND AUTHORIZING THE EXECUTION
OF A SUPPLEMENT TO THE TRUST INDENTURE**

WHEREAS, pursuant to the Community Improvement District Act, Sections 67.1401 to 67.1571 of the Revised Statutes of Missouri, as amended (the "CID Act"), the City of St. Louis, Missouri (the "City") adopted Ordinance No. 67088 on May 17, 2006 (the "Ordinance"), establishing the Loughborough Commons Community Improvement District (the "District") for the purpose of financing certain community improvements referenced in the Ordinance (the "Project"); and

WHEREAS, the District has previously authorized the issuance of its Community Improvement Revenue Notes, Series 2007 in the aggregate outstanding principal amount of not to exceed \$5,000,000, exclusive of costs of issuance and accrued interest (the "CID Notes") to Loughborough Commons, L.L.C., a Missouri limited liability company (the "Developer") in order to reimburse the Developer for costs incurred in connection with the Project (as defined in the Original Indenture) in accordance with and pursuant to the CID Act and that certain Trust Indenture dated as of January 1, 2007 by and between the District and the Trustee (the "Original Indenture"); and

WHEREAS, the CID Notes are currently outstanding in the aggregate principal amount of \$3,925,000; and

WHEREAS, the Developer, as the registered owner (the "Owner") of 100% of the outstanding CID Notes, has consented in writing to the execution of a supplement to the Original Indenture as required by Article X of the Original Indenture; and

WHEREAS, the City has entered into a Redevelopment Agreement dated as of March 30, 2005 (the "Redevelopment Agreement") with the Developer, in order to provide for a redevelopment project, as described therein, which includes the Project; and

WHEREAS, pursuant to the Redevelopment Agreement and a Trust Indenture dated as of November 1, 2007 between The Industrial Development Authority of the City of St. Louis (the "Authority") and UMB Bank, N.A., as trustee (the "Bond Indenture"), the Authority will issue its Tax Increment and Community Improvement Refunding Revenue Bonds, Series 2007 (Loughborough Commons Redevelopment Project) (the "Bonds") in the aggregate principal amount of \$18,430,000 for the purpose of, among other things, refunding \$3,790,000 principal amount of the outstanding CID Notes and all accrued interest on the CID Notes to the date of payment (the "Refunding"); and

WHEREAS, following the issuance and delivery of the Bonds, \$135,000 principal amount of the CID Notes will remain outstanding (the “Outstanding CID Notes”); and

WHEREAS, following the Refunding and upon surrender of the Outstanding CID Notes, the District will issue a replacement note to the Owner in the principal amount of \$135,000, which replacement note shall be specifically subordinate and junior to the Bonds (herein referred to as the “Subordinate Note”) such that no payment of principal of or interest on the Subordinate Note may be made while any Bonds are Outstanding (as defined in the Bond Indenture); and

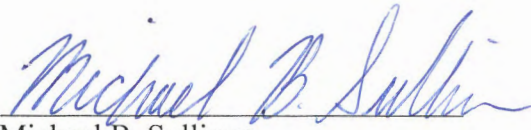
WHEREAS, pursuant to Section 67.1451.8 of the CID Act, the board of directors of a community improvement district is authorized to act on behalf of the District.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE LOUGHBOROUGH COMMONS COMMUNITY IMPROVEMENT DISTRICT AS FOLLOWS:

1. The District does hereby authorize the execution of a supplement to the Original Indenture by and between the District and the Trustee to provide for the issuance of the Subordinate Note and the subordination thereof, pursuant to the form attached hereto as Exhibit A, together with such amendments thereto as the Chairman may deem necessary or appropriate.
2. The District does hereby approve the execution, delivery and sale by the District to Developer of the Subordinate Note in the aggregate principal amount of \$135,000 exclusive of costs of issuance and accrued interest, pursuant to the form attached hereto as Exhibit B.
3. The District shall, and the officials, agents and employees of the District 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 District with respect to the execution of a supplement to the Original Indenture and the issuance of the Subordinate Note.
4. This Resolution shall take effect and be in full force from and after the date of its adoption by the Board of Directors.

This Resolution was adopted at the meeting of the Board of Directors of the District duly called and held on this date. This Resolution shall be filed by the Custodian of Records of the District with the minutes of the meetings of the Board of Directors.

Approved this 26th day of November, 2007.



Michael B. Sullivan,
Chairman of the Board of Directors

(SEAL)

ATTEST:



Michael L. Anthon,
Secretary of the Board of Directors

EXHIBIT A

EXHIBIT B

***THIS NOTE OR ANY PORTION HEREOF MAY BE TRANSFERRED, ASSIGNED
OR
NEGOTIATED ONLY AS PROVIDED IN THE HEREIN DESCRIBED
INDENTURE.***

**UNITED STATES OF AMERICA
STATE OF MISSOURI**

Registered
No. R- _____

Registered
\$135,000 (exclusive of
Costs of Issuance and accrued interest)

**LOUGHBOROUGH COMMONS COMMUNITY IMPROVEMENT DISTRICT
TAX-EXEMPT SUBORDINATED COMMUNITY IMPROVEMENT REVENUE
NOTE, SERIES 2007**

Rate of Interest:	Maturity Date:	Dated Date:	CUSIP No.
9.75%	January 1, 2027	November 27, 2007	N/A

REGISTERED OWNER: LOUGHBOROUGH COMMONS, L.L.C.

PRINCIPAL AMOUNT: \$135,000

LOUGHBOROUGH COMMONS COMMUNITY IMPROVEMENT DISTRICT, a community improvement district and an incorporated political subdivision duly organized and validly existing under the Constitution and laws of the State of Missouri (the "District"), for value received, hereby promises to pay to the Registered Owner shown above, or registered assigns, the outstanding Principal Amount as provided herein and on the Maturity Date shown above. This Note shall bear interest at a fixed rate per annum equal to Nine and Three Quarters Percent (9.75%) commencing on the Dated Date shown above. Interest shall be payable semiannually on January 1 and July 1 in each year (each, an "Interest Payment Date"), beginning on the first Interest Payment Date following the Dated Date shown above. Interest which remains unpaid on any Interest Payment Date shall be compounded semiannually. Interest shall be calculated on the basis of a 360-day year of twelve 30-day months.

Except as otherwise provided herein, the capitalized terms herein shall have the meanings as provided in the Indenture (as hereinafter defined).

The principal of this Note shall be paid at maturity or upon earlier redemption upon presentation and surrender of this Note at the principal payment office or such other designated office of the Trustee (as hereinafter defined) to the person in whose name this Note is registered on the Register at the maturity or redemption date thereof. The interest payable on this Note on any Interest Payment Date shall be paid by UMB Bank, N.A., St. Louis, Missouri (the "Trustee") to the person in whose name this Note is registered on the Register at the close of business on the fifteenth day (whether or not a Business Day) of the calendar month next preceding such Payment Date. Such interest shall be payable (a) by check or draft mailed by the Trustee to the address of such registered Owner shown on the Register or (b) in the case of a principal or interest payment to any registered owner of either (i) all of the Notes Outstanding, or (ii) \$50,000 or more in aggregate principal amount of Notes, by electronic transfer to such registered Owner upon written notice given to the Trustee not less than 5 days prior to the Record Date for such interest and signed by such registered Owner, containing the electronic transfer instructions including the name of the bank (which shall be in the continental United States), ABA routing number and account name and account number to which such Registered Owner wishes to have such transfer directed. The principal or redemption price of and interest on the Notes shall be payable by check or draft in any coin or currency that, on the respective dates of payment thereof, is legal tender for the payment of public and private debts.

This Note is one of an authorized series of fully registered notes of the District designated "Loughborough Commons Community Improvement District, Tax-Exempt Subordinated Community Improvement Revenue Notes, Series 2007," in the aggregate principal amount of \$135,000 exclusive of Costs of Issuance and accrued interest (the "Notes").

The Notes are being issued pursuant to a Trust Indenture dated as of January 1, 2007, as supplemented and amended November 1, 2007 between the District and the Trustee (the "Indenture"), for the purpose of providing funds to (a) pay a portion of certain Project Costs and (b) pay costs of issuance of the Notes, all under the authority of and in full compliance with the Constitution and laws of the State of Missouri, including particularly the Community Improvement District Act, Sections 67.1401 through 67.1571, inclusive, of the Revised Statutes of Missouri, as amended (the "CID Act").

The Notes constitute special, limited obligations of the District payable as to principal, premium, if any, and interest solely from the Pledged Revenues and other moneys pledged thereto and held by the Trustee pursuant to the Indenture. The Notes shall not constitute debts or liabilities of the District, the City, the State of Missouri or any political subdivision thereof within the meaning of any constitutional or statutory debt limitation or restriction.

The Notes are subordinated and junior to those certain Tax Increment and Community Improvement Refunding Revenue Bonds, Series 2007 (Loughborough Commons Redevelopment Project) ("Refunding Bonds") issued by the Industrial Development Authority of the City of St. Louis, Missouri ("Authority") pursuant to a

trust indenture dated as of November 1, 2007 between the Authority and UMB Bank, N.A., as trustee, as more fully provided in the Indenture.

The Notes are subject to redemption as follows:

(a) *Optional Redemption.* The Notes are subject to optional redemption by the District in whole or in part at any time, at a redemption price equal to 100% of the principal amount of the Notes to be redeemed, plus accrued interest to the redemption date.

(b) *Special Mandatory Redemption.*

(1) The Notes are subject to special mandatory redemption by the District on any Payment Date, at the redemption price of 100% of the principal amount being redeemed, together with accrued interest thereon to the date fixed for redemption, in an amount equal to the amount which is on deposit in the Redemption Account of the Debt Service Fund 40 days (10 days if all of the Notes are owned by the Developer and, in each case if such date is not a Business Day, the immediately preceding Business Day) prior to each Payment Date (or if such date is not a Business Day, the immediately preceding Business Day).

(2) The Notes are subject to special mandatory redemption by the District, in whole but not in part, on any date in the event that moneys in the Special Trust Fund, the Revenue Fund or the Debt Service Fund are sufficient to redeem all of the Notes at a redemption price of 100% of the Notes Outstanding, together with accrued interest thereon to the date fixed for redemption.

Notes shall be redeemed only in Authorized Denominations. When less than all of the Outstanding Notes are to be redeemed and paid prior to maturity, such Notes shall be selected by the Trustee in Authorized Denominations in such equitable manner as the Trustee may determine.

Unless waived by any Owner of Notes to be redeemed, official notice of any redemption of any Note shall be given by the Trustee on behalf of the District by mailing a copy of an official redemption notice by first class mail, postage prepaid, at least 30 days (5 days if all of the Notes are owned by the Developer) prior to the date fixed for redemption to the Owner of the Note or Notes to be redeemed at the address shown on the Register; provided, however, that failure to give such notice by mailing as aforesaid to any Owner or any defect therein as to any particular Note shall not affect the validity of any proceedings for the redemption of any Notes. Notice of redemption having been given as aforesaid, the Notes or portions of Notes so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the District defaults in the payment of the redemption price) such Notes or portions of Notes shall cease to bear interest, shall no longer be secured by the Indenture and shall not be deemed to be Outstanding under the provisions of the Indenture. Any defect in any notice or the failure of any parties to receive any

notice of redemption shall not cause any Note called for redemption to remain Outstanding.

The District, the elected officials, officers and employees of the District and any person executing the Notes shall not be personally liable for such obligations by reason of the issuance thereof.

The Notes are issuable in the form of fully registered Notes without coupons in the denomination of \$5,000 or any multiple of \$1.00 in excess thereof.

This Note may be transferred or exchanged, as provided in the Indenture, only upon the books for the registration, transfer and exchange thereof (the "Register") kept by the Trustee, upon surrender of this Note together with a written instrument of transfer satisfactory to the Trustee duly executed by the registered Owner or the registered Owner's duly authorized agent. THE OWNER HEREOF EXPRESSLY AGREES, BY SUCH OWNER'S ACCEPTANCE HEREOF, THAT THE RIGHT TO TRANSFER, ASSIGN OR NEGOTIATE THIS NOTE SHALL BE LIMITED TO TRANSFER, ASSIGNMENT OR NEGOTIATION TO APPROVED INVESTORS, AS THAT TERM IS DEFINED IN THE INDENTURE. Accordingly, this Note will be transferable only upon prior delivery to the Trustee of a letter in substantially the form attached to the Indenture as **Exhibit C**, signed by the transferee, showing that such transferee is an Approved Investor. After the Trustee receives the foregoing statement, a new Note of the same maturity and in the same principal amount outstanding as the Note which was presented for transfer or exchange shall be issued to the transferee in exchange therefor as provided in the Indenture, and upon payment of the charges therein prescribed. The District and the Trustee may deem and treat the person in whose name this Note is registered on the Register as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or redemption price hereof and interest due hereon and for all other purposes.

This Note shall not be valid or binding on the District or be entitled to any security or benefit under the Indenture until the Certificate of Authentication hereon has been executed by the Trustee.

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

ORAL AGREEMENTS OR COMMITMENTS TO LOAN MONEY, EXTEND CREDIT, OR TO FOREBEAR FROM ENFORCING REPAYMENT OF A DEBT INCLUDING PROMISES TO EXTEND OR RENEW SUCH DEBT ARE NOT ENFORCEABLE. TO PROTECT YOU (BORROWER) AND US (LENDER) FROM MISUNDERSTANDING OR DISAPPOINTMENT, ANY AGREEMENTS WE REACH COVERING SUCH MATTERS ARE CONTAINED IN THIS WRITING, WHICH IS THE COMPLETE AND EXCLUSIVE STATEMENT OF

THE AGREEMENT BETWEEN US, EXCEPT AS WE MAY LATER AGREE IN WRITING TO MODIFY IT.

[REMAINDER OF PAGE BLANK; SIGNATURE PAGE FOLLOWS]

**IN WITNESS WHEREOF, LOUGHBOROUGH COMMONS
COMMUNITY IMPROVEMENT DISTRICT** has executed this Note by causing it to
be signed by the manual or facsimile signature of its Chairman and attested by the
manual or facsimile signature of its Secretary, and its official seal to be affixed or
imprinted hereon, and this Note to be dated as of the Dated Date shown above.

Registration Date: _____

**LOUGHBOROUGH COMMONS
COMMUNITY IMPROVEMENT
DISTRICT**

By: _____
Michael B. Sullivan,
Chairman of the Board of
Directors

UMB BANK, N.A.,
as Trustee

(SEAL)

ATTEST:

By: _____
Authorized Signatory

By: _____
Secretary

EXHIBIT B

FIRST SUPPLEMENTAL TRUST INDENTURE

Dated as of November 1, 2007

between

**LOUGHBOROUGH COMMONS
COMMUNITY IMPROVEMENT DISTRICT**

and

**UMB BANK, N.A.,
As Trustee**

**\$135,000
SUBORDINATE COMMUNITY IMPROVEMENT NOTE
SERIES 2007**

FIRST SUPPLEMENTAL TRUST INDENTURE

THIS FIRST SUPPLEMENTAL TRUST INDENTURE (the "*First Supplemental Indenture*"), made and entered into as of November 1, 2007, by and between **LOUGHBOROUGH COMMONS COMMUNITY IMPROVEMENT DISTRICT**, a community improvement district and political subdivision duly organized and existing under the laws of the State of Missouri (the "*District*"), and **UMB BANK, N.A.**, St. Louis, Missouri, a national banking association duly organized and existing and authorized to accept and execute trusts of the character herein set out under the laws of the United States of America and having a corporate trust office located in St. Louis, Missouri, as trustee (the "*Trustee*"), amends and supplements that certain Trust Indenture dated as of January 1, 2007 by and between the District and the Trustee (the "*Original Indenture*").

RECITALS:

WHEREAS, on March 10, 2006, the City of St. Louis, Missouri (the "*City*") adopted Ordinance Number 67088 which, among other things, established the Loughborough Commons Community Improvement District (the "*District*") as a political subdivision pursuant to and in accordance with the Missouri Community Improvement District Act, Sections 67.1401 through 67.1571, Revised Statutes of Missouri, as amended (the "*CID Act*");

WHEREAS, the District has previously authorized the issuance of its Tax-Exempt Community Improvement Revenue Notes, Series 2007 in the aggregate outstanding principal amount of not to exceed \$5,000,000, exclusive of costs of issuance and accrued interest (the "*CID Notes*") to the Developer in order to reimburse the Developer for costs incurred in connection with the Project (as defined in the Original Indenture), in accordance with and pursuant to the CID Act; and

WHEREAS, the CID Notes are currently outstanding in the aggregate principal amount of \$3,925,000; and

WHEREAS, the Developer, as the registered owner (the "*Owner*") of 100% of the outstanding CID Notes, has consented in writing to the execution and delivery of this First Supplemental Indenture as required by **Article X** of the Original Indenture; and

WHEREAS, the City has entered into a Redevelopment Agreement dated as of March 30, 2005 (the "*Redevelopment Agreement*") with the Developer, in order to provide for a redevelopment project, as described therein, which includes the Project (as defined in the Original Indenture); and

WHEREAS, pursuant to the Redevelopment Agreement and a Trust Indenture dated as of November 1, 2007 between The Industrial Development Authority of the City of St. Louis (the "*Authority*") and UMB Bank, N.A., as trustee (the "*Bond Indenture*"), the Authority will issue its Tax Increment and Community Improvement Refunding Revenue Bonds, Series 2007 (Loughborough Commons Redevelopment Project) (the "*Bonds*") in the aggregate principal amount of \$18,430,000 for the purpose of, among other things, refunding \$3,790,000 principal amount of the outstanding CID Notes and all accrued interest on the CID Notes to the date of payment (the "*Refunding*"); and

WHEREAS, following the issuance and delivery of the Bonds, \$135,000 principal amount of the CID Notes will remain outstanding (the "*Outstanding CID Notes*"); and

WHEREAS, following the Refunding and upon surrender of the Outstanding CID Notes, the District will issue a replacement note to the Owner in the principal amount of \$135,000, which replacement note shall be specifically subordinate and junior to the Bonds (herein referred to as the "*Subordinate Note*") such that no payment of principal or interest on the Subordinate Note may be made while any Bonds are Outstanding (as defined in the Bond Indenture); and

WHEREAS, on November 26, 2007, the Board of Directors of the District adopted Resolution No. 2007-19 (the "**Subordinate Note Resolution**"), authorizing the District to enter into this First Supplemental Indenture and to issue the Subordinate Note; and

WHEREAS, pursuant to the CID Act, the Subordinate Note Resolution, the Original Indenture (as amended by this First Supplemental Indenture and as may be further amended from time to time, the "**Indenture**"), and with the written consent of the Owner pursuant to **Article X** of the Original Indenture, the District is authorized to execute and deliver to enter into this First Supplemental Indenture and to issue the Subordinate Note for the purpose of providing funds to reimburse the Developer for financing certain costs associated with the Developer's construction of the Project (as defined in the Indenture); and

WHEREAS, all things necessary to make the Subordinate Note, when authenticated by the Trustee and issued as in the Indenture provided, the valid, legal and binding obligations of the District, and to constitute the Indenture a valid, legal and binding pledge and assignment of the property, rights, interest and revenues herein made for the security of the payment of the principal of, and redemption premium, if any, and interest on the Subordinate Note, have been done and performed, and the execution and delivery of this First Supplemental Indenture and the execution and issuance of the Subordinate Note, subject to the terms hereof, have in all respects been duly authorized;

NOW, THEREFORE, THIS FIRST SUPPLEMENTAL TRUST INDENTURE WITNESSETH, and it is hereby expressly declared, covenanted and agreed by and between the parties hereto, that the Subordinate Note issued and secured hereunder is to be issued, authenticated and delivered and that 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 expressed in the Original Indenture and as provided herein, and the District does hereby agree and covenant with the Trustee and with the Owner of the Subordinate Note as follows:

ARTICLE I

DEFINITIONS AND RULES OF CONSTRUCTION

Section 101. Definitions of Words and Terms. Unless otherwise defined herein, capitalized words and terms used herein shall have the meanings ascribed to such terms in the Original Indenture. Section 101 of the Original Indenture is hereby amended as follows:

(a) The definitions of "**CID Revenues**" and "**Note or Notes**" are deleted. The following new definitions are hereby added:

"**CID Notes**" means the District's Community Improvement Revenue Notes, Series 2007 in the aggregate principal amount of not to exceed \$5,000,000, exclusive of Costs of Issuance and accrued interest.

"**CID Revenues**" means all revenues of the CID Sales Tax (less the Missouri Department of Revenue's once percent (1%) collection fee and less that portion of revenues that constitute EATs), that have been appropriated by the District to the payment of the Bonds, but not including: (i) any amount paid under protest until the protest is withdrawn or resolved against the taxpayer; or (ii) any sum received by or on behalf of the District that is the subject of a suit or other claim communicated to the District, which suit or claim challenges the collection of such sum. [NOTE: Subject to further review – this definition does not work once the Bonds are paid because the EATs will be captured by the District at that point]

"**EATs**" shall have the meaning assigned to such term in the Bond Indenture.

“**Note or Notes**” means initially, the CID Notes; following repayment of \$3,790,000 principal amount thereof plus accrued interest thereon to the date of payment, however, “*Note*” or “*Notes*” shall mean the Subordinate Note.

(b) The Original Indenture is further amended to include the following new terms:

“**Arbitrage Certificate**” means the Non-Arbitrage Certificate of the District related to the Notes.

“**Bond Indenture**” shall have the meaning assigned to such term in the Recitals hereof.

“**Bonds**” shall have the meaning assigned to such term in the Recitals hereof, but expressly excludes any subsequent obligations issued to refund the Bonds.

“**Original Indenture**” shall have the meaning assigned to such term in the Recitals hereof.

“**Subordinate Note**” means the District’s \$135,000 principal amount Subordinate Tax-Exempt Community Improvement Note, Series 2007, authorized by the Resolution and the Indenture.

“**Subordinate Note Resolution**” means Resolution No. 2007-19 adopted by the Board of Directors of the District on November 26, 2007, authorizing, among other things, the issuance, sale and delivery of the Subordinate Note, and the execution of certain documents related thereto in accordance with Indenture.

Section 102. Rules of Construction. For all purposes of this First Supplemental 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 and vice versa.

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

(c) The headings and captions herein are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this First Supplemental Indenture.

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

ARTICLE II

THE SUBORDINATE NOTE

Section 201. Authorization, Principal Amount and Series Designation. Upon: (a) the payment of \$3,790,000 principal amount of the outstanding CID Notes and all accrued interest on the CID Notes to the date of payment to the Owner, and (b) surrender of all CID Notes to the Trustee, there is hereby authorized to be issued a Note entitled to the benefit, protection and security of the Indenture in the aggregate principal amount of One Hundred Thirty-Five Thousand and 00/100 Dollars (\$135,000), exclusive of Costs of Issuance and accrued interest. Such Note shall be designated “Subordinate Tax-

Exempt Community Improvement Note, Series 2007.” The Subordinate Note is issuable in Authorized Denominations.

Section 202. Nature of Obligations; Subordinate Status. The Subordinate Note and the interest thereon shall be a special obligation of the District payable solely as to principal, premium, if any, and interest solely from the Pledged Revenues and other moneys pledged thereto and held by the Trustee pursuant to the Indenture, provided that the Subordinate Note shall be specifically subordinate and junior to the Bonds such that no payment of principal of or interest on the Subordinate Note may be made while any Bonds are Outstanding (as defined in the Bond Indenture). No member, agent, employee, director elected official or officer of the District shall at any time or under any circumstances be individually or personally liable under the Indenture for anything done or omitted to be done by the District thereunder. The Subordinate Note and the interest thereon shall not constitute a debt or liability of the District, the City of St. Louis, Missouri, the State of Missouri or any political subdivision thereof within the meaning of any constitutional or statutory debt limitation or restriction.

Section 203. Description of the Subordinate Note; Restrictions on Transfer.

(a) The Subordinate Note, upon original issuance, is to be issued as a single note in certificated form. The Subordinate Note shall be registered on the Register in the name of or as directed by the purchaser thereof. The Subordinate Note may only be purchased by or transferred to an Approved Investor and only upon receipt and approval by the District of a letter executed by the proposed purchaser in substantially the form of **Exhibit C** to the Original Indenture. Subject to the limitations of the preceding sentence, the Subordinate Note may be transferred only upon the Register upon surrender thereof to the Trustee duly endorsed for transfer or accompanied by an assignment duly executed by the Owner or his attorney or legal representative in such form as shall be satisfactory to the Trustee. Upon any such transfer, the District shall execute and the Trustee shall authenticate and deliver in exchange for such Note a new fully registered Subordinate Note, registered in the name of the transferee, of the same series and in any denomination or denominations authorized by the Indenture.

(b) The Subordinate Note shall be dated, numbered and bear interest as provided in the Original Indenture and shall be in Authorized Denominations equal to the outstanding principal amount thereof. Such Subordinate Note shall mature on the Maturity Date (subject to prior redemption as in **Article III** of the Original Indenture).

(c) When the Subordinate Note shall have been executed, authenticated and registered as required by the Original Indenture and upon satisfaction of the requirements of **Section 205(d)** thereof, the Trustee shall deliver the Subordinate Note to or upon the order of the Developer, as the purchaser thereof. The Developer shall be deemed to have advanced funds necessary to purchase such Note pursuant to **Section 404** of the Original Indenture, upon the surrender of the CID Notes for cancellation.

ARTICLE III **REDEMPTION OF THE SUBORDINATE NOTE**

Section 301. Redemption of Subordinate Note. The Subordinate Note shall be subject to redemption as provided in **Article III** of the Indenture.

ARTICLE IV **FORM OF NOTE**

Section 401. Form of Note. The Original Indenture is hereby amended to delete **Exhibit A** thereto, and **Exhibit A** to this First Supplemental Indenture shall be substituted therefor. The Subordinate Note shall be issued in substantially the form of **Exhibit A** hereto.

ARTICLE V
FUNDS AND REVENUES

Section 501. Revenue Fund.

(a) **Section 402** of the Original Indenture is hereby amended to include the following new first sentence:

All provisions of this Section 402 shall only be effective when no Bonds are Outstanding, as provided under the Bond Indenture.

(b) **Section 402(b)** of the Original Indenture is hereby amended by adding a new subparagraph “First” as set forth below. The remaining subparagraphs shall be renumbered “Second” through “Seventh.”

First, for transfer to the United States of America, an amount sufficient to pay any arbitrage rebate owed pursuant to Section 148 of the Code, as directed in writing by the District pursuant to the Arbitrage Certificate;

ARTICLE VI
MISCELLANEOUS

Section 601. Authority for this First Supplemental Indenture. This First Supplemental Indenture is authorized pursuant to the provisions of and in accordance with **Article X** of the Indenture. Unless modified or amended by the terms of this First Supplemental Indenture, all other provisions of the Original Indenture remain in full force and effect. All other terms and provisions of the Original Indenture hereby ratified and confirmed.

Section 602. Execution in Counterparts. This First Supplemental 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 603. Severability. If any provision in the First Supplemental Indenture shall be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 604. Governing Law. This First Supplemental Indenture shall be governed by and construed in accordance with the laws of the State of Missouri.

(The remainder of this page is intentionally left blank.)

IN WITNESS WHEREOF, Loughborough Commons Community Improvement District has caused this First Supplemental Trust Indenture to be signed in its name and behalf by its Chair or Vice Chair and its corporate seal to be hereunto affixed, imprinted or reproduced and attested by its Secretary or Assistant Secretary, as of the day first above written.

**LOUGHBOROUGH COMMONS COMMUNITY
IMPROVEMENT DISTRICT**

By: _____
Michael B. Sullivan, Chairman

IN WITNESS WHEREOF, UMB Bank, N.A., has caused this First Supplemental Trust Indenture to be signed in its name and behalf by one of its duly authorized officers and its corporate seal to be hereunto affixed and attested by one of its duly authorized officers as of the day first above written.

UMB BANK, N.A.
AS TRUSTEE

By: _____
Victor Zarrilli, Vice President

(SEAL)

ATTEST:

Name: _____

Title: _____

2538641.1

EXHIBIT A

PURCHASER'S LETTER OF REPRESENTATIONS

November 27, 2007

Loughborough Commons Community Improvement District
c/o Loughborough Commons, L.L.C.
25 North Brentwood Boulevard
St. Louis, Missouri 63105
Attention: Michael B. Sullivan
Facsimile: (314) 994-4073

UMB Bank, N.A.
2 South Broadway, Suite 435
St. Louis, Missouri 63102
Attention: Corporate Trust Department
Facsimile: (314) 612-8499

**Re: \$135,000 Tax-Exempt Subordinate Community Improvement
Notes Series 2007 of the Loughborough Commons Community
Improvement District**

Ladies and Gentlemen:

This letter is to provide you with certain representations and agreements with respect to the purchase by the undersigned of \$135,000 (exclusive of Costs of Issuance and accrued interest) of Tax-Exempt Subordinate Community Improvement Notes, Series 2007 (the "*Notes*") issued by Loughborough Commons Community Improvement District (the "*District*"). The Notes are secured in the manner set forth in the Trust Indenture dated as of January 1, 2007, as amended by the First Supplemental Trust Indenture dated as of November 1, 2007 (as amended, the "*Indenture*"), between the District and UMB Bank, N.A., as Trustee. The undersigned hereby represents to each of you and agrees with each of you, as follows:

1. The undersigned has sufficient knowledge and experience in financial and business matters, including the purchase and ownership of limited revenue obligations and other municipal obligations, to be able to evaluate the risks and merits of the investment represented by the purchase by the undersigned of the Notes. The undersigned is able to bear the economic risk represented by the purchase by the undersigned of the Notes. The undersigned understands that the Notes are repayable solely from Pledged Revenues (as defined in the Indenture), subject to annual appropriation by the Board of Directors of the District.

2. The undersigned further acknowledges and agrees that the Notes are expressly subordinate and junior to those certain Tax Increment and Community Improvement Refunding Revenue Bonds, Series 2007 (Loughborough Commons Redevelopment Project) (the "*Bonds*")

issued by The Industrial Development Authority of the City of St. Louis, Missouri (the "*Authority*") pursuant to a trust indenture dated as of November 1, 2007 between the Authority and UMB Bank, N.A., as trustee (the "*Bond Indenture*"), such that no payment of principal or interest on the Subordinate Note may be made while any Bonds are Outstanding (as defined in the Bond Indenture). The undersigned has received a copy of the Bond Indenture.

3. The undersigned has made its own inquiry and analysis with respect to or affecting the likelihood of the payment of the Notes. The undersigned acknowledges that the District and Loughborough Commons, L.L.C. (the "*Developer*") have offered to give access, without restriction or limitation, to all information to which a reasonable investor would attach significance in making investment decisions, and the undersigned has had the opportunity to ask questions of and receive answers from knowledgeable individuals concerning the Notes, this financing transaction, the District and the Developer.

4. As a sophisticated investor, the undersigned has made its own decision to purchase the Notes based solely upon its own inquiry and analysis.

5. The undersigned understands that the Notes do not constitute an indebtedness of the District or a loan or credit thereof within the meaning of any constitutional or statutory debt limitation or restriction.

6. The undersigned is familiar with and has counsel who are familiar with the federal and state legislation, rules, regulations and case law pertaining to the transfer and distribution of securities, including, but not limited to, disclosure obligations of the seller incident to any such transfer or distribution. The undersigned hereby covenants and agrees that the undersigned will not sell, offer for sale, pledge, transfer, convey, hypothecate, mortgage or dispose of the Notes or any interest therein in violation of applicable federal or state law or in violation of restrictions on sale, assignment, negotiation or transfer of the Notes as set forth in paragraph 8 below.

7. The undersigned is purchasing the Notes for its own account for investment (and not on behalf of another) and has no present intention of reselling the Notes or dividing its interest therein; but the undersigned reserves the right to sell, offer for sale, pledge, transfer, convey, hypothecate, mortgage or dispose of the Notes at some future date determined by it, provided that such disposition is not in violation of restrictions on sale, assignment, negotiation or transfer of the Notes as set forth in paragraph 8 below.

8. The undersigned acknowledges that the right to sell, assign, negotiate or otherwise transfer the Notes shall be limited to the sale, assignment, negotiation or transfer to (a) the Developer, (b) an "accredited investor" under Rule 501(a) of Regulation D promulgated under the Securities Act of 1933, (c) a "qualified institutional buyer" under Rule 144A promulgated under the Securities Act of 1933, or (d) any general business corporation or enterprise with total assets in excess of \$50,000,000 (an "*Approved Investor*").

9. The undersigned agrees to indemnify and hold you harmless from any and all claims, judgments, attorneys' fees and expenses of whatsoever nature, whether relating to litigation or otherwise, resulting from any attempted or effected sale, offer for sale, pledge,

transfer, conveyance, hypothecation, mortgage or disposition of the Notes in violation of this letter.

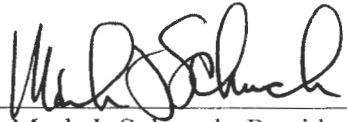
10. The undersigned has satisfied itself that the Notes may be legally purchased by the undersigned.

11. The undersigned represents to each of you that the undersigned is an Approved Investor.

Sincerely,

LOUGHBOROUGH COMMONS, L.L.C.,
a Missouri limited liability company, as
Purchaser

By: THE DESCO GROUP, INC.,
the sole Manager

By: 
Mark J. Schnuck, President

NON-ARBITRAGE CERTIFICATE

Relating to

Not to Exceed \$5,000,000

Loughborough Commons Community Improvement District Tax-Exempt Community Improvement Notes Series 2007

The undersigned, as Chairman of the Board of Directors of the Loughborough Commons Community Improvement District (the "*District*"), acting on behalf of the District charged with the responsibility for issuing the above-captioned notes (the "*Notes*"), hereby certifies pursuant to Treasury Regulations §1.148-2(b) as follows:

1. Meanings of Words and Terms. Words and phrases used herein shall generally have the meanings assigned in §148 of the Internal Revenue Code of 1986, as amended (the "*Code*") and in the Treasury Regulations promulgated thereunder, and capitalized terms not defined herein shall have the same meanings as set forth in the Trust Indenture dated as of January 1, 2007 (the "*Indenture*"), between the District and UMB Bank, N.A., as trustee (the "*Trustee*").

2. Authority and Purpose for the Notes. The District is issuing and delivering the Notes simultaneously with the delivery of this Certificate pursuant to the laws of the State of Missouri and the Indenture, for the purpose of (a) financing certain costs of a Project (as defined in the Indenture) incurred by Loughborough Commons, L.L.C. (the "*Developer*"), (b) paying accrued interest, (c) paying Administrative Costs (as defined in the Indenture), including without limitation Costs of Issuance (as defined in the Indenture) of the Series 2007 Note.

3. Separate Issue. There are no other obligations which (a) have been or are to be sold at substantially the same time as the Notes (*i.e.*, less than 15 days apart and treating any variable yield obligation as sold on its issue date), (b) have been or are to be sold pursuant to the same plan of financing with the Notes, and (c) are to be paid from substantially the same source of funds as the Notes.

4. Use of Notes Proceeds. The total proceeds to be received by the District from the sale of the Notes is expected not to exceed \$5,000,000, plus accrued interest and Costs of Issuance. The Notes are being issued as a "draw-down loan" as the term is used in Treas. Reg. §1.150-1(c)(4). For each draw under the Notes, proceeds will be drawn and spent only to reimburse the Developer for Project Costs, as approved by the District, accrued interest thereon, and Costs of Issuance related thereto.

None of the Notes proceeds will be used as a substitute for other funds that were intended or earmarked to pay costs of the portions of the Project related to the Notes, and that have been or will be used to acquire higher yielding investments.

5. No Over-issuance. The sale proceeds of the Notes do not exceed the Project Costs.

6. Project Completion. The Project has been substantially completed.

7. Sinking Funds. The District expects to use a portion of the CID Revenues on deposit in its Special Trust Fund and amounts in the Debt Service Fund to pay principal of or interest on the Notes. The District understands, under the Regulations, the term "sinking fund" includes a debt service fund, redemption fund, reserve fund, replacement fund, or any similar fund, to the extent reasonably expected to be used directly or indirectly to pay principal or interest on the Notes. Therefore, the Debt Service

Fund and such portion of the Special Trust Fund both constitute sinking funds for the Notes (the “*Sinking Funds*”). The Sinking Funds will be used primarily to achieve a proper matching of revenues and debt service within each bond year. Under the Indenture, all Pledged Revenues will be transferred each month to the Revenue Fund. Each January 1 and July 1, all amounts in the Revenue Fund will be applied to pay debt service on the Notes and to pay certain fees and expenses. After all such payments are made, any surplus will be transferred to the Debt Service Fund to be used to redeem Notes. Under the Indenture, all amounts in the Debt Service Fund will be used to pay debt service on the Notes. Except for the Sinking Funds, the District has not established, and does not expect to establish, any sinking fund or other similar fund that is reasonably expected to be used to pay principal of or interest on the Notes.

8. Reserve, Replacement and Pledged Funds. No reserve fund has been or will be established for the Notes. No portion of the proceeds of the Notes will be used as a substitute for other funds that were intended or earmarked to pay costs of the Transportation Project and that have been or will be used to acquire higher yielding investments. There are no other funds of the District for which a reasonable assurance exists that such funds would be available for payment of the principal of or interest on the Notes if the District encounters financial difficulty.

9. Arbitrage Rebate. The District will comply with the arbitrage rebate requirements of Code §148(f). However, because no proceeds will be invested, no arbitrage rebate should be generated.

10. Issue Date. The issue date of the Notes is January 1, 2007.

11. Interest Rate. The interest rate on the Notes is a variable rate per annum equal to the Prime Rate (as defined in the Indenture), as determined on the date of original issuance of the Notes and on each semi-annual payment date thereafter, compounded semi-annually. The initial rate of interest on the Notes is 8.25% and shall next be adjusted on July 1, 2007.

12. Hedge Bonds. The District expects that (i) all of the net sale proceeds of the Notes will be used to carry out the governmental purpose of the Notes within three years after the date hereof, and (ii) not more than 50% of the proceeds of the Notes will be invested in investments having a substantially guaranteed yield for four years or more.

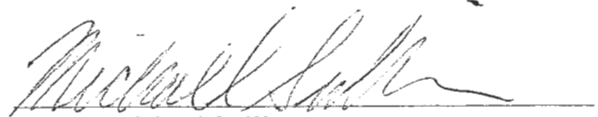
13. Reasonable Expectations. To the best of my knowledge, information and belief, the facts and estimates set forth in this Certificate are accurate, and the expectations of the District set forth herein are reasonable.

On the basis of the foregoing facts and estimates, the District does not expect the proceeds of the Notes to be used in a manner that would cause the Notes to be “arbitrage bonds” within the meaning of Code §148.

(The remainder of this page is intentionally left blank.)

Dated: January 1, 2007

**LOUGHBOROUGH COMMONS
COMMUNITY IMPROVEMENT DISTRICT**

A handwritten signature in cursive script, appearing to read "Michael Sullivan", written over a horizontal line.

Michael Sullivan
Chairman of the Board of Directors

NON-ARBITRAGE CERTIFICATE

Relating to

\$135,000

Loughborough Commons Community Improvement District Tax-Exempt Subordinate Community Improvement Notes Series 2007

The undersigned, as Chairman of the Board of Directors of the Loughborough Commons Community Improvement District (the "*District*"), acting on behalf of the District charged with the responsibility for issuing the above-captioned notes (the "*Subordinate Notes*"), hereby certifies pursuant to Treasury Regulations §1.148-2(b) as follows:

1. Meanings of Words and Terms. Words and phrases used herein shall generally have the meanings assigned in §148 of the Internal Revenue Code of 1986, as amended (the "*Code*") and in the Treasury Regulations promulgated thereunder, and capitalized terms not defined herein shall have the same meanings as set forth in the Trust Indenture dated as of January 1, 2007, as amended by the First Supplemental Trust Indenture dated as of November 1, 2007 (as amended, the "*Indenture*"), between the District and UMB Bank, N.A., as trustee (the "*Trustee*").

2. Authority and Purpose for the Subordinate Notes. The District is issuing and delivering the Subordinate Notes simultaneously with the delivery of this Certificate pursuant to the laws of the State of Missouri and the Indenture, for the purpose of financing certain costs of a Project (as defined in the Indenture) incurred by Loughborough Commons, L.L.C. (the "*Developer*").

3. Separate Issue. Other than the \$18,430,000 Tax Increment and Community Improvement Refunding Revenue Bonds, Series 2007 (Loughborough Commons Redevelopment Project) issued on the date hereof by The Industrial Development Authority of the City of St. Louis, Missouri, there are no other obligations which (a) have been or are to be sold at substantially the same time as the Subordinate Notes (*i.e.*, less than 15 days apart and treating any variable yield obligation as sold on its issue date), (b) have been or are to be sold pursuant to the same plan of financing with the Subordinate Notes, and (c) are to be paid from substantially the same source of funds as the Subordinate Notes.

4. Use of Subordinate Notes Proceeds. The total proceeds to be received by the District from the sale of the Subordinate Notes is expected not to exceed \$135,000.00, plus accrued interest and costs of issuance. The Subordinate Notes are being issued as a "draw-down loan" as the term is used in Treas. Reg. §1.150-1(c)(4). For each draw under the Subordinate Notes, proceeds will be drawn and spent only to reimburse the Developer for Project Costs, as approved by the District, accrued interest thereon, and costs of issuance related thereto.

None of the Subordinate Notes proceeds will be used as a substitute for other funds that were intended or earmarked to pay costs of the portions of the Project related to the Subordinate Notes, and that have been or will be used to acquire higher yielding investments.

5. No Over-issuance. The sale proceeds of the Subordinate Notes do not exceed the Project Costs.

6. Project Completion. The Project has been completed.

7. Sinking Funds. The District expects to use a portion of the CID Revenues on deposit in its Special Trust Fund and amounts in the Debt Service Fund to pay principal of or interest on the Subordinate Notes. The District understands, under the Regulations, the term “sinking fund” includes a debt service fund, redemption fund, reserve fund, replacement fund, or any similar fund, to the extent reasonably expected to be used directly or indirectly to pay principal or interest on the Subordinate Notes. Therefore, the Debt Service Fund and such portion of the Special Trust Fund both constitute sinking funds for the Subordinate Notes (the “*Sinking Funds*”). The Sinking Funds will be used primarily to achieve a proper matching of revenues and debt service within each bond year. Under the Indenture, all Pledged Revenues will be transferred each month to the Revenue Fund. Each January 1 and July 1, all amounts in the Revenue Fund will be applied to pay debt service on the Subordinate Notes and to pay certain fees and expenses. After all such payments are made, any surplus will be transferred to the Debt Service Fund to be used to redeem Subordinate Notes. Under the Indenture, all amounts in the Debt Service Fund will be used to pay debt service on the Subordinate Notes. Except for the Sinking Funds, the District has not established, and does not expect to establish, any sinking fund or other similar fund that is reasonably expected to be used to pay principal of or interest on the Subordinate Notes.

8. Reserve, Replacement and Pledged Funds. No reserve fund has been or will be established for the Subordinate Notes. No portion of the proceeds of the Subordinate Notes will be used as a substitute for other funds that were intended or earmarked to pay costs of the Project and that have been or will be used to acquire higher yielding investments. There are no other funds of the District for which a reasonable assurance exists that such funds would be available for payment of the principal of or interest on the Subordinate Notes if the District encounters financial difficulty.

9. Arbitrage Rebate. The District will comply with the arbitrage rebate requirements of Code §148(f). However, because no proceeds will be invested, no arbitrage rebate should be generated.

10. Issue Date. The issue date of the Subordinate Notes is November 27, 2007.

11. Interest Rate. The interest rate on the Subordinate Notes is a variable rate per annum equal to the Prime Rate (as defined in the Indenture), as determined on the date of original issuance of the Subordinate Notes and on each semi-annual payment date thereafter, compounded semi-annually. The initial rate of interest on the Subordinate Notes is 7.50% and shall next be adjusted on January 1, 2008.

12. Hedge Bonds. The District expects that (i) all of the net sale proceeds of the Subordinate Notes will be used to carry out the governmental purpose of the Subordinate Notes within three years after the date hereof, and (ii) not more than 50% of the proceeds of the Subordinate Notes will be invested in investments having a substantially guaranteed yield for four years or more.

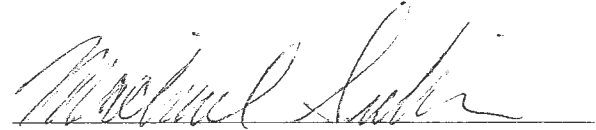
13. Reasonable Expectations. To the best of my knowledge, information and belief, the facts and estimates set forth in this Certificate are accurate, and the expectations of the District set forth herein are reasonable.

On the basis of the foregoing facts and estimates, the District does not expect the proceeds of the Subordinate Notes to be used in a manner that would cause the Subordinate Notes to be “arbitrage bonds” within the meaning of Code §148.

(The remainder of this page is intentionally left blank.)

Dated: November 27, 2007

**LOUGHBOROUGH COMMONS
COMMUNITY IMPROVEMENT DISTRICT**

A handwritten signature in cursive script, appearing to read "Michael Sullivan", written over a horizontal line.

Michael Sullivan

Chairman of the Board of Directors

DISTRICT'S CLOSING CERTIFICATE

Relating to
Not to Exceed \$5,000,000
Loughborough Commons Community Improvement District
Tax-Exempt Community Improvement Notes
Series 2007

We, the undersigned, duly authorized officials of the Loughborough Commons Community Improvement District (the "**District**"), in connection with the issuance by the District of the above-described notes (the "**Series 2007 Notes**"), hereby certify as follows:

*Capitalized terms used in this Certificate, unless the context requires otherwise, shall have the same meanings as set forth in the Trust Indenture dated as of January 1, 2007 (the "**Indenture**") by and between the District and UMB Bank, N.A., as Trustee (the "**Trustee**").*

1. **Organization and Authority.** The District is a political subdivision duly organized and existing under the Community Improvement District Act, Sections 67.140 to 67.1571 of the Revised Statutes of Missouri, as amended (the "**CID Act**"). Attached hereto as **Exhibit A** is a true, correct and complete copy of the Bylaws of the District, and such Bylaws have not been amended and are in full force and effect as of the date hereof.

2. **Imposition of Sales Tax.** On July 7, 2006, the District adopted Resolution No. 2006-03 imposing a sales tax in the amount of one percent (1.0%) effective on first day of the second calendar quarter after the director of the department of revenue receives notice of the adoption of such tax. Attached hereto as **Exhibit B** is a true and correct copy of Resolution No. 2006-03, which resolution has not been modified, amended or repealed as of the date hereof. Attached hereto as **Exhibit C** is a true and correct copy of the notice sent to the Director of the Department of Revenue pursuant to Section 67.1545.3.

3. **Execution of Indenture.** Attached hereto as **Exhibit D** is a true, complete and correct copy of Resolution No. 2006-06 duly adopted by the Board of Directors of the District on December 22, 2006 (the "**Note Resolution**"), authorizing the execution and delivery of the Indenture, which Note Resolution has not been modified, amended or repealed as of the date hereof. Such meeting of the Board of Directors of the District was a regular meeting or meeting held pursuant to regular adjournment at the next preceding meeting, or special meeting called and held, for which proper notice was given in the manner required by law, including Chapter 610 of the Revised Statutes of Missouri, as amended.

4. **Incumbency of Officers.** The following named persons are on the date hereof the duly qualified and acting members of the Board and officers of the District:

<u>Name</u>	<u>Title</u>
Michael Sullivan	Chairman and Director
Michael Anthon	Secretary and Director
Joseph Erlanger	Treasurer and Director
Karen Mills	Vice Chairman and Director
Scott Sachtleben	Director

5. **Execution of Documents.** The following documents have been executed and delivered in the name and on behalf of the District by its duly authorized officers, pursuant to and in full compliance with the Note Resolution; the copies of said documents contained in the Transcript are true, complete and correct copies or counterparts of said documents as executed and delivered by the District and are in substantially the same forms and text as the copies of such documents which were before the Board of Directors of the District and approved by said Note Resolution; and said documents have not been amended, modified or rescinded and are in full force and effect as of the date hereof:

- (a) Indenture; and
- (b) Tax-Exempt Community Improvement Note.

6. **Indenture Authorized and Binding.** The District has duly authorized, by all necessary action, the execution, delivery, receipt and due performance of the Indenture and any and all other agreements and documents as may be required to be executed, delivered and received by the District in order to carry out, give effect to and consummate the transactions contemplated by the Indenture. The Indenture, as executed and delivered, constitutes a legal, valid and binding obligation of the District in accordance with its terms (subject, as to enforcement, to any applicable bankruptcy, reorganization, insolvency, moratorium or other laws affecting the enforcement of creditors' rights generally or against municipalities or state agencies or authorities such as the District from time to time in effect, and to applicable principles of equity if equitable remedies are sought).

7. **Representations and Warranties in the Indenture.** To the District's knowledge, each of the representations and warranties of the District contained or referred to in the Indenture is true and correct in all material respects as of the date hereof as if made on and as of the date hereof.

8. **No Default.** At the date hereof, there is no default of the District under the Indenture and no event has occurred that, with the giving of notice or the lapse of time or both, would become such a default of the District under the Indenture.

9. **Non-Litigation.** To the District's knowledge, there is no action, suit, proceeding, inquiry or investigation at law or in equity or before or by any court, public board or body pending or threatened against the District wherein an unfavorable decision, ruling or finding would materially adversely affect the existence or powers of the District or title to office of the

officials thereof, the transactions contemplated by the Indenture or the validity or enforceability in accordance with the terms of the Indenture or any agreement or instrument to which the District is a party, used or contemplated for use in the consummation of the transactions contemplated by the Indenture.

10. **Approvals.** To the District's knowledge, all approvals, consents, authorizations and orders required to be obtained by the District in connection with the execution and delivery of the Indenture and the performance of the terms thereof by the District have been duly obtained.

11. **Authentication of Series 2007 Notes.** The Trustee is hereby authorized and requested to authenticate the Series 2007 Notes in the aggregate principal amount of not to exceed \$5,000,000 and deliver them to or at the direction of Loughborough Commons, L.L.C.

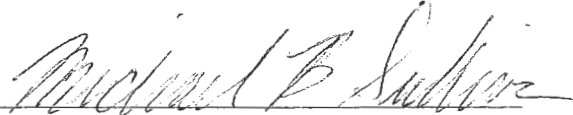
11. **Pledged Revenues.** The Indenture and the security granted thereunder is not pledged, mortgaged or otherwise encumbered in whole or in part.

Date: January 1, 2007.

(The remainder of this page is intentionally left blank.)

IN WITNESS WHEREOF, the District has caused this District's Closing Certificate to be executed and attested by its duly authorized officers, and its corporate seal to be hereunder affixed, effective as of the date above written.

**LOUGHBOROUGH COMMONS
COMMUNITY IMPROVEMENT
DISTRICT**

By: 
Michael B. Sullivan
Chairman of the Board of Directors



(SEAL)

ATTEST:



Michael Anthon, Secretary

2545331.1

[Tax-Exempt Community Improvement Notes]

EXHIBIT A

BYLAWS

BYLAWS
OF
THE LOUGHBOROUGH COMMONS COMMUNITY IMPROVEMENT DISTRICT

ARTICLE I

OFFICES, RECORDS, SEAL

1. Principal Office. The principal office of the Loughborough Commons Community Improvement District (the “District”) shall be located within the bounds of St. Louis County, Missouri, at such place as may from time to time be designated by the Board of Directors. The District may have such other offices, either within or without the State of Missouri, as the business of the District may require from time to time.

2. Records. The District shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of the Board of Directors and each committee of the Board of Directors. The District shall keep at its principal office a record of the name and place of residence of each director and each officer.

3. Seal. The Board of Directors shall adopt, and may alter at pleasure, a corporate seal, which shall have inscribed thereon the name “Loughborough Commons Community Improvement District.” The corporate seal may be used by causing it, or a facsimile thereof, to be impressed or affixed or to be in any other manner reproduced.

ARTICLE II

PURPOSES

The District shall have all powers authority and obligations as set forth in the Community Improvement District Act, Sections 67.1401 to 67.1571 of the Revised Statutes of Missouri, as amended (the “Act”).

ARTICLE III

BOARD OF DIRECTORS

1. Powers of Board of Directors. The Board of Directors shall have and is vested with all and unlimited powers and authorities, except as it may be expressly limited by law or these Bylaws, to supervise, control, direct and manage the property, affairs and activities of the District, to determine the policies of the District, to do or cause to be done any and all lawful

things for and on behalf of the District, to exercise or cause to be exercised any or all of its powers, privileges or franchises, and to seek the effectuation of its objects and purposes.

2. Number of Directors; Qualifications. The initial Board of Directors of the District shall be composed of five (5) individuals appointed by the Mayor and confirmed by the Board of Aldermen of the City of St. Louis, Missouri (the "City"). Each Director shall hold office for the term for which he is appointed or until a successor shall have been appointed. Each Director shall meet the qualifications set forth in Section 67.1541 of the Act.

3. Compensation of Directors. No Director shall receive compensation from the District for any service such director may render to it as a Director. A Director may be reimbursed for his or her actual expenses reasonably incurred in and about such Director's performance of his or her duties as a Director.

4. Resignation and Removal of Directors. Any Director may resign from the Board of Directors. Such resignation shall be in writing addressed to the Secretary of the District and shall be effective immediately or upon its acceptance by the Board of Directors, as such resignation may provide. Any Director may be removed at any time by a unanimous vote of the Board of Directors (excluding the Director to be removed).

5. Vacancies. Vacancies caused by the death, resignation, incapacity, removal or disqualification of a Director shall be filled by the Mayor and confirmed by the Board of Aldermen of the City.

ARTICLE IV

MEETINGS

1. Place. Meetings of the Board of Directors of the District shall be held at the principal office of the District, as designated by the Board of Directors, or at any other place within the City or St. Louis County, Missouri, as may be determined from time to time by resolution of the Board of Directors or by written consent of the members thereof.

2. Notice of Meetings. Written notice stating the place, day and hour of a meeting and the purpose or purposes for which the meeting is called shall be delivered to each director not less than twenty-four (24) hours before the time of the meeting, either personally, by mail, by facsimile or electronic mail, by or at the direction of the officer or the directors calling the meeting. If mailed, such notice shall be deemed to be delivered three (3) days after depositing such notice in the United States mail addressed to the director at such director's address as it appears on the records of the District, with postage thereon prepaid. The Director calling a meeting of the Board of Directors shall cause notice of such meeting stating the date, time and location of such meeting and a proposed agenda of topics to be discussed and/or resolved for each such meeting to be posted in a conspicuous place in the City Hall of the City at least twenty-four (24) hours prior to such meeting.

3. Waiver of Notice. Any notice provided or required to be given to the directors may be waived in writing by any of them whether before or after the time stated therein. Attendance of a director at any meeting shall constitute a waiver of notice of such meeting except where the director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

4. Quorum. The presence of a majority of the Board of Directors shall be requisite for and shall constitute a quorum for the transaction of business at all meetings. Vacant positions are not counted in determining a majority of the Board of Directors; provided, however, that in no event shall a quorum consist of less than one-third of the whole Board of Directors. The act of a majority of the directors present at a meeting at which a quorum is present shall be valid as the act of the Board of Directors except in those specific instances in which a larger vote may be required by law or these Bylaws.

5. Adjournment. Whether or not a quorum shall be present at any such meeting, the directors present shall have power successively to adjourn the meeting, without notice, or publication of notice, other than announcement at the meeting, to a specified date. At any such adjourned meeting at which a quorum shall be present, any business may be transacted which could have been transacted at the original session of the meeting.

6. Voting. Each director present at any meeting shall be entitled to cast one vote on each matter coming before such meeting for decision. If a roll call is taken, all votes shall be recorded so as to attribute each "aye" and "nay" vote, or abstinence if not voting, to the name of the respective director.

7. Meeting by Conference Telephone. Members of the Board of Directors may participate in a meeting of the Board of Directors by means of conference telephone or similar communications equipment whereby all persons participating in the meeting can hear each other, and participation in a meeting in this manner shall constitute presence in person at the meeting. Notice for such meetings shall designate a place where members of the public may hear the conference call for purposes of complying with Chapter 610 of the Revised Statutes of Missouri, as amended (the "Sunshine Law").

8. Compliance with State Sunshine Law. The District is a "public governmental body" pursuant to the Sunshine Law; therefore, notwithstanding any other provision of these Bylaws and in addition to any requirements of these Bylaws, the District shall give notice of and conduct all meetings of the Board of Directors in accordance with the Sunshine Law.

9. Annual Meeting and Budget. The annual meeting of the Board of Directors shall be held no later than thirty (30) days prior to the first day of each fiscal year for the purpose of adopting a budget and transacting such other business as may come before the meeting. If the day fixed for the annual meeting shall be a legal holiday in the place designated for the meeting, such meeting shall be held on the next succeeding business day. Additional regular meetings of the Board of Directors may be held at any place within or outside the State of Missouri and from time to time by resolution of the Board of Directors or by unanimous written consent of the members thereof. Meetings of the Board shall be held upon such notice as hereinafter provided.

The District shall submit a proposed annual budget no earlier than one hundred eighty (180) days and no later than ninety (90) days prior to the beginning of each fiscal year to the Board of Aldermen of the City, which may review and make recommendations thereto. The proposed budget shall set forth the District's anticipated expenditures, revenues and rates of assessments and taxes, if any, for such fiscal year.

10. Special Meetings. Special meetings of the Board of Directors may be called by or at the requires of the Chair of the Board of Directors, or any one or more of the Directors, by giving notice thereof in the manner provided herein. The person or persons calling such meeting may fix any place either within or without the State of Missouri as the place for holding such meeting.

11. Reporting Requirements. Within one hundred twenty (120) days after the end of each fiscal year, the District shall submit a report to the City Clerk and the Missouri Department of Economic Development stating the services provided, revenues collected and expenditures made by the District during such fiscal year, and copies of written resolutions approved by the Board during the fiscal year. Such report shall be retained by the City Clerk as part of the City's official record and shall also cause such report to be spread upon the records of the City.

ARTICLE V

OFFICERS

1. General. The officers of the District shall be a Chair, a Vice-Chair, a Secretary, a Treasurer and such other officers as the Board of Directors may appoint. Any two or more offices may be held by the same person.

2. Election and Terms of Office. The officers of the District shall be elected or appointed annually by the Board of Directors, to serve at the pleasure of the Board of Directors until the next annual meeting of the Board of Directors and until their successors are duly elected and qualified.

3. Removal. Any officer or any employee or agent of the District may be removed or discharged by the Board of Directors whenever in its judgment, the best interests of the District would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed.

If for any reason any officer who is also a member of the Board of Directors ceases to be a member of the Board of Directors, then such officer shall automatically be removed from office in the District.

4. Compensation of Officers. No officer shall receive any salary or compensation from the District for any services such officer may render to it as an officer.

5. **Vacancies.** Vacancies caused by the death, resignation, incapacity, removal or disqualification of an officer of the District shall be filled by the Board of Directors at any annual or other regular meeting or at any special meeting called for that purpose, and such person or persons so elected to fill any such vacancy shall serve at the pleasure of the Board of Directors until the next annual meeting of the Board of Directors, and until such officer's successor is duly elected and qualified.

6. **The Chair.** The Chair shall be the chief executive officer of the District, shall have such general executive powers and duties of supervision and management as are usually vested in the office of the chief executive officer of a District, and shall carry into effect all directions and resolutions of the Board of Directors. The Chair shall preside at all meetings of the Board of Directors at which he or she may be present.

The Chair may execute all bonds, notes, debentures, mortgages, and other contracts requiring a seal, under the seal of the District and may cause the seal to be affixed thereto, and all other instruments for and in the name of the District.

The Chair shall have the right to attend any meeting of any committee of the Board of Directors and to express his or her opinion and make reports at such meeting; provided, however, that unless the Chair shall be specifically appointed to any committee, the Chair shall not be considered to be a committee member or have the right to vote or be counted for the purpose of determining a quorum at any such meeting.

The Chair shall have such other duties, powers and authority as may be prescribed elsewhere in these Bylaws or by the Board of Directors.

7. **The Vice-Chair.** The Vice-Chair, in the absence of the Chair, or in the event of the Chair's inability or refusal to act, shall perform the duties of the Chair and, when so acting, shall have all the powers of, and be subject to all the restrictions upon, the Chair. The Vice-Chair shall have such other or further duties or authority as may be prescribed elsewhere in these Bylaws or from time to time by the Board of Directors.

8. **The Treasurer.** If required by the Board of Directors, the Treasurer shall give a bond for the faithful performance of his duties in such sum and with such surety or sureties as the Board of Directors shall determine. The Treasurer shall: (a) have charge and custody of and be responsible for all funds and securities of the District; (b) receive and give receipts for moneys due and payable to the District from any source whatsoever, and deposit all such moneys in the name of the District in such banks, trust companies or other depositories as shall be selected by the Chair; (c) keep or cause to be kept all books of account and accounting records of the District; and (d) in general perform all the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him by the Board of Directors. The Treasurer shall render to the Chair or the Board of Directors, whenever requested by them, an account of all transactions as Treasurer and of those under the Treasurer's jurisdiction and the financial condition of the District.

The Treasurer shall have the general duties, powers and responsibilities of a treasurer of a District, shall be the chief financial and accounting officer of the District and shall have and perform such other duties, responsibilities and authorities as may be prescribed from time to time by the Board of Directors.

9. The Secretary. The Secretary shall attend the meetings of the Board of Directors and shall record or cause to be recorded all votes taken and the minutes of all proceedings in the minute book of the District to be kept for that purpose. The Secretary shall perform like duties for any committee established pursuant to these Bylaws when requested by such committee to do so. Unless otherwise maintained by a custodian of records, the Secretary shall be the custodian of all the books, papers and records of the District and shall, at such reasonable times as may be requested, permit an inspection of such books, papers and records by any director of the District. The Secretary shall upon reasonable demand furnish a full, true and correct copy of any book, paper or record in his or her possession. The Secretary shall be the administrative and clerical officer of the District under the supervision of the Chair and the Board of Directors.

The Secretary shall keep in safe custody the seal of the District and when authorized to do so shall affix the same to any instrument requiring the seal, and when so affixed, the Secretary shall attest the same by his or her signature.

The Secretary shall have the principal responsibility to give or cause to be given notice of the meetings of the Board of Directors, but this shall not lessen the authority of others to give such notice as provided in these Bylaws.

The Secretary shall have the general duties, powers and responsibilities of a secretary of a District and shall have such other or further duties or authority as may be prescribed elsewhere in these Bylaws or from time to time by the Board of Directors.

10. Other Agents. The Board of Directors from time to time may also appoint such other agents for the District as it shall deem necessary or advisable, each of whom shall serve at the pleasure of the Board of Directors or for such period as the Board of Directors may specify, and shall exercise such powers, have such titles and perform such duties as shall be determined from time to time by the Board of Directors or by an officer empowered by the Board of Directors to make such determinations.

11. Duties of Officers May Be Delegated. If any officer of the District be absent or unable to act, or for any other reason that the Board of Directors may deem sufficient, the Board of Directors may delegate, for the time being, some or all of the functions, duties, powers and responsibilities of any officer to any other officer, or to any other agent or employee of the District or other responsible person, provided a majority of the whole Board of Directors concurs therein.

ARTICLE VI

GENERAL PROVISIONS

1. Contracts. The Board of Directors may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the District.

2. Depositories and Checks. The moneys of the District shall be deposited in such manner as the Board of Directors shall direct in such banks or trust companies as the Board of Directors may designate and shall be drawn out by checks or drafts signed in such manner as may be provided by resolution adopted by the Board of Directors.

3. Custodian of Securities. The Board of Directors may from time to time appoint one or more banks or trust companies to act for reasonable compensation as custodian of all securities and other valuables owned by the District, and to exercise in respect thereof such powers as may be conferred by resolution of the Board of Directors. The Board of Directors may remove any such custodian at any time.

4. Fiscal Year. The Board of Directors shall have the power to fix and, from time to time, change the fiscal year of the District. In the absence of action by the Board of Directors, however, the fiscal year of the District shall end each year on the date which the District treated as the close of its first fiscal year, until such time, if any, as the fiscal year shall be changed by the Board of Directors.

5. Certain Loans Prohibited. The District shall not make any loan to any officer or director of the District. No loans shall be contracted on behalf of the District and no evidence of any financial obligation shall be issued in its name unless authorized by resolutions of the Board of Directors.

6. Indemnification and Liability of Directors and Officers. Each person who is or was a director or officer of the District (including the heirs, executors, administrators and estate of such person) shall be indemnified by the District as of right to the full extent permitted or authorized by the laws of Missouri, as now in effect and as hereafter amended, against any liability, judgment, fine, amount paid in settlement, cost and expense (including attorneys' fees) asserted or threatened against or incurred by such person in such person's capacity as or arising out of such person's status as a director or officer of the District. The indemnification provided by this Bylaw provision shall not be exclusive of any other rights to which those indemnified may be entitled under any other bylaw provision or under any agreement, vote of disinterested directors or otherwise, and shall not limit in any way any right which the District may have to make different or further indemnifications with respect to the same or different persons or classes of persons.

No person shall be liable to the District for any loss, damage, liability or expense suffered by it on account of any action taken or omitted to be taken by such person as a director or officer of the District if such person (i) exercised the same degree of care and skill as a prudent person would have exercised under the circumstances in the conduct of his or her own affairs, or (ii) took or omitted to take such action in reliance upon advice of counsel for the District, or upon statements made or information furnished by directors, officers, employees or agents of the District which such person had no reasonable grounds to disbelieve.

7. **Absence of Personal Liability.** The directors and officers of the District are not individually or personally liable for the debts, liabilities or obligations of the District.

ARTICLE VII

AMENDMENTS

The Board of Directors of the District shall have the power to make, alter, amend and repeal the Bylaws of the District and to adopt new Bylaws, which power may be exercised by a vote of a majority of the members of the full Board of Directors. The District shall keep at its principal office a copy of the Bylaws, as amended, which shall be open to inspection by any member of the Board of Directors at all reasonable times during office hours.

* * *

CERTIFICATE

The foregoing Bylaws were duly adopted as and for the Bylaws of the Loughborough Commons Community Improvement District by the Board of Directors of said District at its first meeting held on July 7th, 2006.

(SEAL)



Michael L. Anthon,
Secretary of the Board of Directors

RESOLUTION NO. 2007-12

A RESOLUTION OF THE LOUGHBOROUGH COMMONS COMMUNITY IMPROVEMENT DISTRICT AMENDING THE BYLAWS OF THE DISTRICT

WHEREAS, pursuant to the Community Improvement District Act, Sections 67.1401 to 67.1571 of the Revised Statutes of Missouri, as amended (the "CID Act"), the City of St. Louis, Missouri (the "City") adopted Ordinance No. 67088 on May 17, 2006 (the "Ordinance"), establishing the Loughborough Commons Community Improvement District (the "District");

WHEREAS, pursuant to the Ordinance and the Petition signed by representatives of more than fifty percent per capital of all property owners within the District, the Mayor of the City appointed the members of the Board of Directors of the District serving such terms as designated by the Mayor of the City; and

WHEREAS, pursuant to Article VII of the Bylaws of the District, the Board of Directors of the District has the power to amend the Bylaws of the District by a vote of the majority of the members of the Board of Directors.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE LOUGHBOROUGH COMMONS COMMUNITY IMPROVEMENT DISTRICT AS FOLLOWS:

The Board of Directors of the District hereby amends the Bylaws of the District as follows:

1. Paragraph 1 of Article IV of the Bylaws shall be deleted in its entirety and replaced with the following new Paragraph 1 of Article IV:

ARTICLE IV

MEETINGS

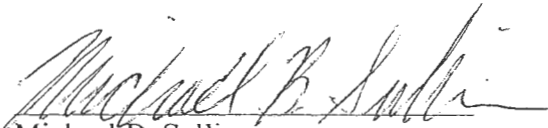
1. **Place.** Meetings of the Board of Directors of the District shall be held at the principal office of the District or at any other place within the City or the County of St. Louis, Missouri as may be determined from time to time by the Board of Directors.

2. This resolution shall be in full force and effect from and after its adoption by the Board of Directors.

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This Resolution was adopted at the meeting of the Board of Directors of the District duly called and held on this date. This Resolution shall be filed by the Custodian of Records of the District with the minutes of the meetings of the Board of Directors.

Approved this 19th day of October, 2007.


Michael B. Sullivan,
Chairman of the Board of Directors

(SEAL)

ATTEST:



Michael L. Anthon,
Secretary of the Board of Directors

EXHIBIT B

RESOLUTION NO. 2006-03

RESOLUTION NO. 2006-03

**A RESOLUTION CALLING AN ELECTION IN THE LOUGHBOROUGH COMMONS
COMMUNITY IMPROVEMENT DISTRICT ON THE QUESTION WHETHER TO
IMPOSE A DISTRICT-WIDE SALES TAX FOR THE PURPOSE OF FUNDING THE
COSTS OF CERTAIN PROJECTS**

WHEREAS, pursuant to the Community Improvement District Act, Sections 67.1401 to 67.1571 of the Revised Statutes of Missouri, as amended (the "CID Act"), the City of St. Louis, Missouri (the "City") adopted Ordinance No. 67088 on May 17, 2006, establishing the Loughborough Commons Community Improvement District (the "District"); and

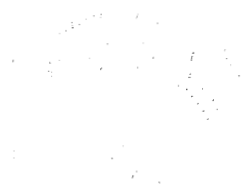
WHEREAS, the CID Ordinance authorizes the formation of the District for the purpose of providing tax revenues to fund the construction and implementation of the Projects, as defined in the CID Ordinance, through the imposition of a sales tax pursuant to Section 67.1545 of the CID Act (the "CID Sales Tax"); and


WHEREAS, the Board of Directors of the District desires to submit to the qualified voters of the District, by mail-in ballot, a proposal to authorize the CID Sales Tax.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE LOUGHBOROUGH COMMONS COMMUNITY IMPROVEMENT DISTRICT, AS FOLLOWS:

1. The Board of Directors of the District hereby imposes a sales and use tax upon all retail sales made in the District pursuant to Section 67.1545 of the CID Act at the rate of one percent (1.0%) (the "CID Sales Tax") for a period of twenty (20) years from the date the CID Sales Tax becomes effective in the District.
2. Pursuant to Section 67.1545 of the CID Act, the District shall submit to the qualified voters of the District, by mail-in ballot, a proposal to authorize the CID Sales Tax, such mail-in ballot being in substantially the same form as **Exhibit A**, attached hereto and incorporated herein by reference (the "Ballot").
3. The CID Sales Tax shall be collected by the Missouri Department of Revenue and deposited into a special trust fund and used solely for such designated purpose as identified in the Ballot.
4. The District shall, and the officers and agents of the District 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.
5. This Resolution shall be in full force and effect from and after its passage and approval.


Passed this 7th day of July, 2006.




Michael B. Sullivan,
Chair of the Board of Directors

(SEAL)

ATTEST:



Michael L. Anthon,
Secretary of the Board of Directors

Exhibit A
BALLOT

Shall the Loughborough Commons Community Improvement District impose a community improvement district-wide sales tax at the rate of one percent (1.0%) for a period of not more than twenty (20) years from the date on which such tax is first imposed for the purpose of providing revenue for certain public improvements within the District, including the demolition of existing structures and the excavation, removal, grading, construction, installation, repair, and maintenance of various transportation, parking, utility, drainage, screening and other related improvements made by Loughborough Commons, L.L.C. in the District?

YES

NO

If you are in favor of the question, place an "X" in the box opposite "YES". If you are opposed to the question, place an "X" in the box opposite "NO".

EXHIBIT C

NOTICE TO DEPARTMENT OF REVENUE



September 27, 2006

Greensfelder, Hemker & Gale, P.C.
2000 Equitable Building
10 South Broadway
St. Louis, MO 63102

12 Wolf Creek Drive
Suite 100
Belleville (Swansea), IL 62226

T: 314-241-9090
F: 314-241-8624
www.greensfelder.com

CHRISTOPHER T. FELDMEIR
DIRECT DIAL: 314-345-4750
DIRECT FAX: 314-421-0831
E-MAIL: CTF@GREENSFELDER.COM

VIA CERTIFIED MAIL NO. 7005 0390 006 0244 8723

RETURN RECEIPT REQUESTED

AND FEDERAL EXPRESS

Ms. Trish Vincent
Director, Missouri Department of Revenue
Harry S. Truman State Office Building
301 West High Street
Jefferson City, Missouri 65101

Re: Notice of Election of Community Improvement District Sales Tax

Dear Ms. Vincent:

Pursuant to Sections 67.1545 and 32.087 of the Revised Statutes of Missouri, notice is hereby given that the qualified voters within the Loughborough Commons Community Improvement District ("District") have unanimously approved the imposition of a District-wide sales tax at the rate of 1% ("Tax"). The Tax shall be levied for a period of not more than 20 years from the date on which the Tax is first imposed, for the purpose of providing revenue for certain public improvements within the District.

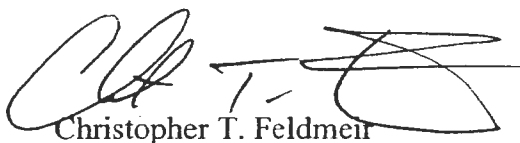
Enclosed herewith for your records is a copy of the election results of the qualified voters within the District approving the Tax, as certified by the City of St. Louis Board of Election Commissioners.

Pursuant to Sections 67.1545 and 32.087 of the Revised Statutes of Missouri, the Tax will be effective January 1, 2007 and the Department of Revenue shall perform all functions incident to the administration, collection, enforcement, and operation of tax.

If you have any questions, please do not hesitate to call.

Very truly yours,

GREENSFELDER, HEMKER & GALE, P.C.

By 
Christopher T. Feldmeir

CTF/mml
Enclosures
5955.1

cc: Gary Stoff, St. Louis City Board of Election Commissions (w/ enc.)
Mike Sullivan, The Desco Group, Inc. (w/ enc.)
Catherine R. Phillips, Lewis, Rice & Fingersh, LC (w/ enc.)



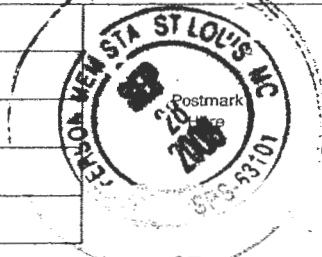
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U.S. Postal Service™
CERTIFIED MAIL™ RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com

OFFICIAL USE

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$



Ms. Trish Vincent

Sent to: Director, Missouri Department of Revenue
 Harry S. Truman State Office Building
 301 West High Street
 Jefferson City, Missouri 65101

PS Form 3800, June 2002

See Reverse for Instructions

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Ms. Trish Vincent
 Director, Missouri Department of Revenue
 Harry S. Truman State Office Building
 301 West High Street
 Jefferson City, Missouri 65101

COMPLETE THIS SECTION ON DELIVERY

A. Signature
 X 28 SEP 2006 PM 4 Agent Addressee

B. Received by (Printed Name) C. Date of Delivery

D. Is delivery address different from item 1? Yes
 If YES, enter delivery address below: No
 OF REVENUE 10/02/06

3. Service Type
 Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee) Yes

7005 0390 0006 0244 8723

EXHIBIT D

RESOLUTION NO. 2006-06

RESOLUTION NO. 2006-06

A RESOLUTION OF THE LOUGHBOROUGH COMMONS COMMUNITY IMPROVEMENT DISTRICT APPROVING AND AUTHORIZING THE EXECUTION OF A TRUST INDENTURE BETWEEN THE DISTRICT AND UMB BANK, N.A.

WHEREAS, pursuant to the Community Improvement District Act, Sections 67.1401 to 67.1571 of the Revised Statutes of Missouri, as amended (the "CID Act"), the City of St. Louis, Missouri (the "City") adopted Ordinance No. 67088 on May 17, 2006 (the "Ordinance"), establishing the Loughborough Commons Community Improvement District (the "District"); and

WHEREAS, pursuant to the Ordinance and the Petition signed by representatives of more than fifty percent per capital of all property owners within the District, the Mayor of the City appointed Scott A. Sachtleben, Michael B. Sullivan, Karen A. Mills, Joseph Erlanger and Michael Anthon as members of the board of directors of the District serving such terms as designated by the Mayor of the City; and

WHEREAS, pursuant to Section 67.1451.8 of the CID Act, the board of directors of a community improvement district is authorized to act on behalf of the District.

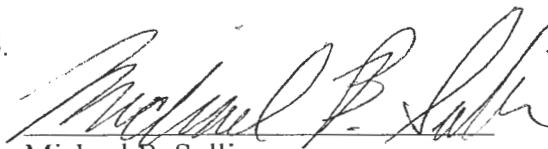
NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE LOUGHBOROUGH COMMONS COMMUNITY IMPROVEMENT DISTRICT AS FOLLOWS:

1. The Chairman of the Board of Directors is authorized to execute, and the Secretary of the Board of Directors is authorized to attest, a Trust Indenture ("Indenture"), between the District and UMB Bank, N.A., as Trustee, in substantially the form attached hereto as Exhibit A, with such changes therein as shall be approved by the Chairman of the Board of Directors, such officer's signature thereon being conclusive evidence of his approval thereof.
2. The Chairman of the Board of Directors is authorized to open any number of depository accounts as such officer deems necessary for the conduct of the District's business and to execute any documents necessary therefore.
3. The District shall, and the officials, agents and employees of the District 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 District with respect to the Development Agreement.
4. This Resolution shall take effect and be in full force from and after the date of its adoption by the Board of Directors.

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This Resolution was adopted at the meeting of the Board of Directors of the District duly called and held on this date. This Resolution shall be filed by the Custodian of Records of the District with the minutes of the meetings of the Board of Directors.

Approved this 22nd day of December, 2006.



Michael B. Sullivan,
Chairman of the Board of Directors

(SEAL)

ATTEST:



Michael L. Anthon,
Secretary of the Board of Directors

Exhibit A

Indenture

SEE ATTACHED

DISTRICT'S CLOSING CERTIFICATE

Relating to
\$135,000
Loughborough Commons Community Improvement District
Tax-Exempt Subordinate Community Improvement Notes
Series 2007

We, the undersigned, duly authorized officials of the Loughborough Commons Community Improvement District (the "**District**"), in connection with the issuance by the District of the above-described notes (the "**Subordinate Notes**"), hereby certify as follows:

*Capitalized terms used in this Certificate, unless the context requires otherwise, shall have the same meanings as set forth in the Trust Indenture dated as of January 1, 2007 (the "**Original Indenture**"), as amended by the First Supplemental Trust Indenture dated as of November 1, 2007 (the "**First Supplemental Indenture**," with the Original Indenture as is amended being referred to as the "**Indenture**") by and between the District and UMB Bank, N.A., as Trustee (the "**Trustee**").*

1. **Organization and Authority.** The District is a political subdivision duly organized and existing under the Community Improvement District Act, Sections 67.140 to 67.1571 of the Revised Statutes of Missouri, as amended (the "**CID Act**"). Attached hereto as **Exhibit A** is a true, correct and complete copy of the Bylaws of the District, and such Bylaws have not been amended and are in full force and effect as of the date hereof.

2. **Imposition of Sales Tax.** On July 7, 2006, the District adopted Resolution No. 2006-03 imposing a sales tax in the amount of one percent (1.0%) effective on first day of the second calendar quarter after the director of the department of revenue receives notice of the adoption of such tax. Attached hereto as **Exhibit B** is a true and correct copy of Resolution No. 2006-03, which resolution has not been modified, amended or repealed as of the date hereof. Attached hereto as **Exhibit C** is a true and correct copy of the notice sent to the Director of the Department of Revenue pursuant to Section 67.1545.3.

3. **Execution of First Supplemental Indenture.** Attached hereto as **Exhibit D** is a true, complete and correct copy of Resolution No. 2007-19 duly adopted by the Board of Directors of the District on November 26, 2007 (the "**Resolution**"), authorizing the execution and delivery of the First Supplemental Indenture, which Resolution has not been modified, amended or repealed as of the date hereof. Such meeting of the Board of Directors of the District was a regular meeting or meeting held pursuant to regular adjournment at the next preceding meeting, or special meeting called and held, for which proper notice was given in the manner required by law, including Chapter 610 of the Revised Statutes of Missouri, as amended.

4. **Incumbency of Officers.** The following named persons are on the date hereof the duly qualified and acting members of the Board and officers of the District:

<u>Name</u>	<u>Title</u>
Michael Sullivan	Chairman and Director
Michael Anthon	Secretary and Director
Pat McDougell	Treasurer and Director
Karen Mills	Director
VACANT	Director

5. **Execution of Documents.** The following documents have been executed and delivered in the name and on behalf of the District by its duly authorized officers, pursuant to and in full compliance with the Resolution; the copies of said documents contained in the Transcript are true, complete and correct copies or counterparts of said documents as executed and delivered by the District and are in substantially the same forms and text as the copies of such documents which were before the Board of Directors of the District and approved by said Resolution; and said documents have not been amended, modified or rescinded and are in full force and effect as of the date hereof:

- (a) First Supplemental Indenture; and
- (b) Tax-Exempt Subordinate Community Improvement Note.

6. **First Supplemental Indenture Authorized and Binding.** The District has duly authorized, by all necessary action, the execution, delivery, receipt and due performance of the First Supplemental Indenture and any and all other agreements and documents as may be required to be executed, delivered and received by the District in order to carry out, give effect to and consummate the transactions contemplated by the First Supplemental Indenture. The First Supplemental Indenture, as executed and delivered, constitutes a legal, valid and binding obligation of the District in accordance with its terms (subject, as to enforcement, to any applicable bankruptcy, reorganization, insolvency, moratorium or other laws affecting the enforcement of creditors' rights generally or against municipalities or state agencies or authorities such as the District from time to time in effect, and to applicable principles of equity if equitable remedies are sought).

7. **Representations and Warranties in the Indenture.** To the District's knowledge, each of the representations and warranties of the District contained or referred to in the Indenture is true and correct in all material respects as of the date hereof as if made on and as of the date hereof.

8. **No Default.** At the date hereof, there is no default of the District under the Indenture and no event has occurred that, with the giving of notice or the lapse of time or both, would become such a default of the District under the Indenture.

9. **Non-Litigation.** To the District's knowledge, there is no action, suit, proceeding, inquiry or investigation at law or in equity or before or by any court, public board or body pending or threatened against the District wherein an unfavorable decision, ruling or finding

would materially adversely affect the existence or powers of the District or title to office of the officials thereof, the transactions contemplated by the Indenture or the validity or enforceability in accordance with the terms of the Indenture or any agreement or instrument to which the District is a party, used or contemplated for use in the consummation of the transactions contemplated by the Indenture.

10. **Approvals.** To the District's knowledge, all approvals, consents, authorizations and orders required to be obtained by the District in connection with the execution and delivery of the First Supplemental Indenture and the performance of the terms thereof by the District have been duly obtained.

11. **Authentication of Subordinate Notes; Cancellation of Prior Notes.** The Trustee is hereby authorized and requested to authenticate the Subordinate Notes in the aggregate principal amount of \$135,000 and deliver them to or at the direction of Loughborough Commons, L.L.C. upon (a) receipt on this date of the sum of \$4,054,401.04 (the "**Refunding Amount**"), representing \$3,790,000 prepayment of principal plus \$264,401.04 of accrued interest due and payable on the District's outstanding \$3,925,000 Tax-Exempt Community Improvement Notes, Series 2007 (the "**Prior Notes**"), (b) payment on this date of the Refunding Amount to Loughborough Commons, L.L.C., the Registered Owner of the Prior Notes, and (iii) cancellation of the Prior Notes.


11. **Pledged Revenues.** The Indenture and the security granted thereunder, and the revenues and receipts under the Financing Agreement, are not pledged, mortgaged or otherwise encumbered in whole or in part except with respect to the payment of the Bonds.

Date: November 27, 2007.

(The remainder of this page is intentionally left blank.)

IN WITNESS WHEREOF, the District has caused this District's Closing Certificate to be executed and attested by its duly authorized officers, and its corporate seal to be hereunder affixed, as of the date first above written.

**LOUGHBOROUGH COMMONS
COMMUNITY IMPROVEMENT
DISTRICT**

By: 
Michael B. Sullivan
Chairman of the Board of Directors



ATTEST:



Michael Anthon, Secretary

2542170.2

[Tax-Exempt Subordinate
Community Improvement Notes]

EXHIBIT A

BYLAWS

BYLAWS
OF
THE LOUGHBOROUGH COMMONS COMMUNITY IMPROVEMENT DISTRICT

ARTICLE I

OFFICES, RECORDS, SEAL

1. **Principal Office.** The principal office of the Loughborough Commons Community Improvement District (the “District”) shall be located within the bounds of St. Louis County, Missouri, at such place as may from time to time be designated by the Board of Directors. The District may have such other offices, either within or without the State of Missouri, as the business of the District may require from time to time.

2. **Records.** The District shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of the Board of Directors and each committee of the Board of Directors. The District shall keep at its principal office a record of the name and place of residence of each director and each officer.

3. **Seal.** The Board of Directors shall adopt, and may alter at pleasure, a corporate seal, which shall have inscribed thereon the name “Loughborough Commons Community Improvement District.” The corporate seal may be used by causing it, or a facsimile thereof, to be impressed or affixed or to be in any other manner reproduced.

ARTICLE II

PURPOSES

The District shall have all powers authority and obligations as set forth in the Community Improvement District Act, Sections 67.1401 to 67.1571 of the Revised Statutes of Missouri, as amended (the “Act”).

ARTICLE III

BOARD OF DIRECTORS

1. **Powers of Board of Directors.** The Board of Directors shall have and is vested with all and unlimited powers and authorities, except as it may be expressly limited by law or these Bylaws, to supervise, control, direct and manage the property, affairs and activities of the District, to determine the policies of the District, to do or cause to be done any and all lawful

things for and on behalf of the District, to exercise or cause to be exercised any or all of its powers, privileges or franchises, and to seek the effectuation of its objects and purposes.

2. Number of Directors; Qualifications. The initial Board of Directors of the District shall be composed of five (5) individuals appointed by the Mayor and confirmed by the Board of Aldermen of the City of St. Louis, Missouri (the "City"). Each Director shall hold office for the term for which he is appointed or until a successor shall have been appointed. Each Director shall meet the qualifications set forth in Section 67.1541 of the Act.

3. Compensation of Directors. No Director shall receive compensation from the District for any service such director may render to it as a Director. A Director may be reimbursed for his or her actual expenses reasonably incurred in and about such Director's performance of his or her duties as a Director.

4. Resignation and Removal of Directors. Any Director may resign from the Board of Directors. Such resignation shall be in writing addressed to the Secretary of the District and shall be effective immediately or upon its acceptance by the Board of Directors, as such resignation may provide. Any Director may be removed at any time by a unanimous vote of the Board of Directors (excluding the Director to be removed).

5. Vacancies. Vacancies caused by the death, resignation, incapacity, removal or disqualification of a Director shall be filled by the Mayor and confirmed by the Board of Aldermen of the City.

ARTICLE IV

MEETINGS

1. Place. Meetings of the Board of Directors of the District shall be held at the principal office of the District, as designated by the Board of Directors, or at any other place within the City or St. Louis County, Missouri, as may be determined from time to time by resolution of the Board of Directors or by written consent of the members thereof.

2. Notice of Meetings. Written notice stating the place, day and hour of a meeting and the purpose or purposes for which the meeting is called shall be delivered to each director not less than twenty-four (24) hours before the time of the meeting, either personally, by mail, by facsimile or electronic mail, by or at the direction of the officer or the directors calling the meeting. If mailed, such notice shall be deemed to be delivered three (3) days after depositing such notice in the United States mail addressed to the director at such director's address as it appears on the records of the District, with postage thereon prepaid. The Director calling a meeting of the Board of Directors shall cause notice of such meeting stating the date, time and location of such meeting and a proposed agenda of topics to be discussed and/or resolved for each such meeting to be posted in a conspicuous place in the City Hall of the City at least twenty-four (24) hours prior to such meeting.

3. Waiver of Notice. Any notice provided or required to be given to the directors may be waived in writing by any of them whether before or after the time stated therein. Attendance of a director at any meeting shall constitute a waiver of notice of such meeting except where the director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

4. Quorum. The presence of a majority of the Board of Directors shall be requisite for and shall constitute a quorum for the transaction of business at all meetings. Vacant positions are not counted in determining a majority of the Board of Directors; provided, however, that in no event shall a quorum consist of less than one-third of the whole Board of Directors. The act of a majority of the directors present at a meeting at which a quorum is present shall be valid as the act of the Board of Directors except in those specific instances in which a larger vote may be required by law or these Bylaws.

5. Adjournment. Whether or not a quorum shall be present at any such meeting, the directors present shall have power successively to adjourn the meeting, without notice, or publication of notice, other than announcement at the meeting, to a specified date. At any such adjourned meeting at which a quorum shall be present, any business may be transacted which could have been transacted at the original session of the meeting.

6. Voting. Each director present at any meeting shall be entitled to cast one vote on each matter coming before such meeting for decision. If a roll call is taken, all votes shall be recorded so as to attribute each "aye" and "nay" vote, or abstinence if not voting, to the name of the respective director.

7. Meeting by Conference Telephone. Members of the Board of Directors may participate in a meeting of the Board of Directors by means of conference telephone or similar communications equipment whereby all persons participating in the meeting can hear each other, and participation in a meeting in this manner shall constitute presence in person at the meeting. Notice for such meetings shall designate a place where members of the public may hear the conference call for purposes of complying with Chapter 610 of the Revised Statutes of Missouri, as amended (the "Sunshine Law").

8. Compliance with State Sunshine Law. The District is a "public governmental body" pursuant to the Sunshine Law; therefore, notwithstanding any other provision of these Bylaws and in addition to any requirements of these Bylaws, the District shall give notice of and conduct all meetings of the Board of Directors in accordance with the Sunshine Law.

9. Annual Meeting and Budget. The annual meeting of the Board of Directors shall be held no later than thirty (30) days prior to the first day of each fiscal year for the purpose of adopting a budget and transacting such other business as may come before the meeting. If the day fixed for the annual meeting shall be a legal holiday in the place designated for the meeting, such meeting shall be held on the next succeeding business day. Additional regular meetings of the Board of Directors may be held at any place within or outside the State of Missouri and from time to time by resolution of the Board of Directors or by unanimous written consent of the members thereof. Meetings of the Board shall be held upon such notice as hereinafter provided.

The District shall submit a proposed annual budget no earlier than one hundred eighty (180) days and no later than ninety (90) days prior to the beginning of each fiscal year to the Board of Aldermen of the City, which may review and make recommendations thereto. The proposed budget shall set forth the District's anticipated expenditures, revenues and rates of assessments and taxes, if any, for such fiscal year.

10. Special Meetings. Special meetings of the Board of Directors may be called by or at the requires of the Chair of the Board of Directors, or any one or more of the Directors, by giving notice thereof in the manner provided herein. The person or persons calling such meeting may fix any place either within or without the State of Missouri as the place for holding such meeting.

11. Reporting Requirements. Within one hundred twenty (120) days after the end of each fiscal year, the District shall submit a report to the City Clerk and the Missouri Department of Economic Development stating the services provided, revenues collected and expenditures made by the District during such fiscal year, and copies of written resolutions approved by the Board during the fiscal year. Such report shall be retained by the City Clerk as part of the City's official record and shall also cause such report to be spread upon the records of the City.

ARTICLE V

OFFICERS

1. General. The officers of the District shall be a Chair, a Vice-Chair, a Secretary, a Treasurer and such other officers as the Board of Directors may appoint. Any two or more offices may be held by the same person.

2. Election and Terms of Office. The officers of the District shall be elected or appointed annually by the Board of Directors, to serve at the pleasure of the Board of Directors until the next annual meeting of the Board of Directors and until their successors are duly elected and qualified.

3. Removal. Any officer or any employee or agent of the District may be removed or discharged by the Board of Directors whenever in its judgment, the best interests of the District would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed.

If for any reason any officer who is also a member of the Board of Directors ceases to be a member of the Board of Directors, then such officer shall automatically be removed from office in the District.

4. Compensation of Officers. No officer shall receive any salary or compensation from the District for any services such officer may render to it as an officer.

5. **Vacancies.** Vacancies caused by the death, resignation, incapacity, removal or disqualification of an officer of the District shall be filled by the Board of Directors at any annual or other regular meeting or at any special meeting called for that purpose, and such person or persons so elected to fill any such vacancy shall serve at the pleasure of the Board of Directors until the next annual meeting of the Board of Directors, and until such officer's successor is duly elected and qualified.

6. **The Chair.** The Chair shall be the chief executive officer of the District, shall have such general executive powers and duties of supervision and management as are usually vested in the office of the chief executive officer of a District, and shall carry into effect all directions and resolutions of the Board of Directors. The Chair shall preside at all meetings of the Board of Directors at which he or she may be present.

The Chair may execute all bonds, notes, debentures, mortgages, and other contracts requiring a seal, under the seal of the District and may cause the seal to be affixed thereto, and all other instruments for and in the name of the District.

The Chair shall have the right to attend any meeting of any committee of the Board of Directors and to express his or her opinion and make reports at such meeting; provided, however, that unless the Chair shall be specifically appointed to any committee, the Chair shall not be considered to be a committee member or have the right to vote or be counted for the purpose of determining a quorum at any such meeting.

The Chair shall have such other duties, powers and authority as may be prescribed elsewhere in these Bylaws or by the Board of Directors.

7. **The Vice-Chair.** The Vice-Chair, in the absence of the Chair, or in the event of the Chair's inability or refusal to act, shall perform the duties of the Chair and, when so acting, shall have all the powers of, and be subject to all the restrictions upon, the Chair. The Vice-Chair shall have such other or further duties or authority as may be prescribed elsewhere in these Bylaws or from time to time by the Board of Directors.

8. **The Treasurer.** If required by the Board of Directors, the Treasurer shall give a bond for the faithful performance of his duties in such sum and with such surety or sureties as the Board of Directors shall determine. The Treasurer shall: (a) have charge and custody of and be responsible for all funds and securities of the District; (b) receive and give receipts for moneys due and payable to the District from any source whatsoever, and deposit all such moneys in the name of the District in such banks, trust companies or other depositories as shall be selected by the Chair; (c) keep or cause to be kept all books of account and accounting records of the District; and (d) in general perform all the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him by the Board of Directors. The Treasurer shall render to the Chair or the Board of Directors, whenever requested by them, an account of all transactions as Treasurer and of those under the Treasurer's jurisdiction and the financial condition of the District.

The Treasurer shall have the general duties, powers and responsibilities of a treasurer of a District, shall be the chief financial and accounting officer of the District and shall have and perform such other duties, responsibilities and authorities as may be prescribed from time to time by the Board of Directors.

9. The Secretary. The Secretary shall attend the meetings of the Board of Directors and shall record or cause to be recorded all votes taken and the minutes of all proceedings in the minute book of the District to be kept for that purpose. The Secretary shall perform like duties for any committee established pursuant to these Bylaws when requested by such committee to do so. Unless otherwise maintained by a custodian of records, the Secretary shall be the custodian of all the books, papers and records of the District and shall, at such reasonable times as may be requested, permit an inspection of such books, papers and records by any director of the District. The Secretary shall upon reasonable demand furnish a full, true and correct copy of any book, paper or record in his or her possession. The Secretary shall be the administrative and clerical officer of the District under the supervision of the Chair and the Board of Directors.

The Secretary shall keep in safe custody the seal of the District and when authorized to do so shall affix the same to any instrument requiring the seal, and when so affixed, the Secretary shall attest the same by his or her signature.

The Secretary shall have the principal responsibility to give or cause to be given notice of the meetings of the Board of Directors, but this shall not lessen the authority of others to give such notice as provided in these Bylaws.

The Secretary shall have the general duties, powers and responsibilities of a secretary of a District and shall have such other or further duties or authority as may be prescribed elsewhere in these Bylaws or from time to time by the Board of Directors.

10. Other Agents. The Board of Directors from time to time may also appoint such other agents for the District as it shall deem necessary or advisable, each of whom shall serve at the pleasure of the Board of Directors or for such period as the Board of Directors may specify, and shall exercise such powers, have such titles and perform such duties as shall be determined from time to time by the Board of Directors or by an officer empowered by the Board of Directors to make such determinations.

11. Duties of Officers May Be Delegated. If any officer of the District be absent or unable to act, or for any other reason that the Board of Directors may deem sufficient, the Board of Directors may delegate, for the time being, some or all of the functions, duties, powers and responsibilities of any officer to any other officer, or to any other agent or employee of the District or other responsible person, provided a majority of the whole Board of Directors concurs therein.

ARTICLE VI

GENERAL PROVISIONS

1. Contracts. The Board of Directors may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the District.

2. Depositories and Checks. The moneys of the District shall be deposited in such manner as the Board of Directors shall direct in such banks or trust companies as the Board of Directors may designate and shall be drawn out by checks or drafts signed in such manner as may be provided by resolution adopted by the Board of Directors.

3. Custodian of Securities. The Board of Directors may from time to time appoint one or more banks or trust companies to act for reasonable compensation as custodian of all securities and other valuables owned by the District, and to exercise in respect thereof such powers as may be conferred by resolution of the Board of Directors. The Board of Directors may remove any such custodian at any time.

4. Fiscal Year. The Board of Directors shall have the power to fix and, from time to time, change the fiscal year of the District. In the absence of action by the Board of Directors, however, the fiscal year of the District shall end each year on the date which the District treated as the close of its first fiscal year, until such time, if any, as the fiscal year shall be changed by the Board of Directors.

5. Certain Loans Prohibited. The District shall not make any loan to any officer or director of the District. No loans shall be contracted on behalf of the District and no evidence of any financial obligation shall be issued in its name unless authorized by resolutions of the Board of Directors.

6. Indemnification and Liability of Directors and Officers. Each person who is or was a director or officer of the District (including the heirs, executors, administrators and estate of such person) shall be indemnified by the District as of right to the full extent permitted or authorized by the laws of Missouri, as now in effect and as hereafter amended, against any liability, judgment, fine, amount paid in settlement, cost and expense (including attorneys' fees) asserted or threatened against or incurred by such person in such person's capacity as or arising out of such person's status as a director or officer of the District. The indemnification provided by this Bylaw provision shall not be exclusive of any other rights to which those indemnified may be entitled under any other bylaw provision or under any agreement, vote of disinterested directors or otherwise, and shall not limit in any way any right which the District may have to make different or further indemnifications with respect to the same or different persons or classes of persons.

No person shall be liable to the District for any loss, damage, liability or expense suffered by it on account of any action taken or omitted to be taken by such person as a director or officer of the District if such person (i) exercised the same degree of care and skill as a prudent person would have exercised under the circumstances in the conduct of his or her own affairs, or (ii) took or omitted to take such action in reliance upon advice of counsel for the District, or upon statements made or information furnished by directors, officers, employees or agents of the District which such person had no reasonable grounds to disbelieve.

7. **Absence of Personal Liability.** The directors and officers of the District are not individually or personally liable for the debts, liabilities or obligations of the District.

ARTICLE VII

AMENDMENTS

The Board of Directors of the District shall have the power to make, alter, amend and repeal the Bylaws of the District and to adopt new Bylaws, which power may be exercised by a vote of a majority of the members of the full Board of Directors. The District shall keep at its principal office a copy of the Bylaws, as amended, which shall be open to inspection by any member of the Board of Directors at all reasonable times during office hours.

* * *

CERTIFICATE

The foregoing Bylaws were duly adopted as and for the Bylaws of the Loughborough Commons Community Improvement District by the Board of Directors of said District at its first meeting held on July 7th, 2006.

(SEAL)



Michael L. Anthon,
Secretary of the Board of Directors

RESOLUTION NO. 2007-12

A RESOLUTION OF THE LOUGHBOROUGH COMMONS COMMUNITY IMPROVEMENT DISTRICT AMENDING THE BYLAWS OF THE DISTRICT

WHEREAS, pursuant to the Community Improvement District Act, Sections 67.1401 to 67.1571 of the Revised Statutes of Missouri, as amended (the "CID Act"), the City of St. Louis, Missouri (the "City") adopted Ordinance No. 67088 on May 17, 2006 (the "Ordinance"), establishing the Loughborough Commons Community Improvement District (the "District");

WHEREAS, pursuant to the Ordinance and the Petition signed by representatives of more than fifty percent per capital of all property owners within the District, the Mayor of the City appointed the members of the Board of Directors of the District serving such terms as designated by the Mayor of the City; and

WHEREAS, pursuant to Article VII of the Bylaws of the District, the Board of Directors of the District has the power to amend the Bylaws of the District by a vote of the majority of the members of the Board of Directors.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE LOUGHBOROUGH COMMONS COMMUNITY IMPROVEMENT DISTRICT AS FOLLOWS:

The Board of Directors of the District hereby amends the Bylaws of the District as follows:

1. Paragraph 1 of Article IV of the Bylaws shall be deleted in its entirety and replaced with the following new Paragraph 1 of Article IV:

ARTICLE IV

MEETINGS

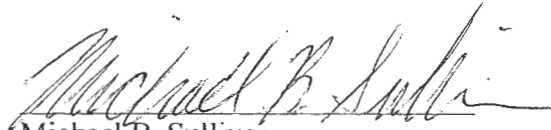
1. **Place.** Meetings of the Board of Directors of the District shall be held at the principal office of the District or at any other place within the City or the County of St. Louis, Missouri as may be determined from time to time by the Board of Directors.

2. This resolution shall be in full force and effect from and after its adoption by the Board of Directors.

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This Resolution was adopted at the meeting of the Board of Directors of the District duly called and held on this date. This Resolution shall be filed by the Custodian of Records of the District with the minutes of the meetings of the Board of Directors.

Approved this 19th day of October, 2007.


Michael B. Sullivan,
Chairman of the Board of Directors

(SEAL)

ATTEST:



Michael L. Anthon,
Secretary of the Board of Directors

EXHIBIT B

RESOLUTION NO. 2006-03

RESOLUTION NO. 2006-03

**A RESOLUTION CALLING AN ELECTION IN THE LOUGHBOROUGH COMMONS
COMMUNITY IMPROVEMENT DISTRICT ON THE QUESTION WHETHER TO
IMPOSE A DISTRICT-WIDE SALES TAX FOR THE PURPOSE OF FUNDING THE
COSTS OF CERTAIN PROJECTS**

WHEREAS, pursuant to the Community Improvement District Act, Sections 67.1401 to 67.1571 of the Revised Statutes of Missouri, as amended (the "CID Act"), the City of St. Louis, Missouri (the "City") adopted Ordinance No. 67088 on May 17, 2006, establishing the Loughborough Commons Community Improvement District (the "District"); and


WHEREAS, the CID Ordinance authorizes the formation of the District for the purpose of providing tax revenues to fund the construction and implementation of the Projects, as defined in the CID Ordinance, through the imposition of a sales tax pursuant to Section 67.1545 of the CID Act (the "CID Sales Tax"); and

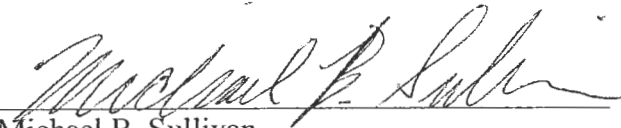
WHEREAS, the Board of Directors of the District desires to submit to the qualified voters of the District, by mail-in ballot, a proposal to authorize the CID Sales Tax.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE LOUGHBOROUGH COMMONS COMMUNITY IMPROVEMENT DISTRICT, AS FOLLOWS:

1. The Board of Directors of the District hereby imposes a sales and use tax upon all retail sales made in the District pursuant to Section 67.1545 of the CID Act at the rate of one percent (1.0%) (the "CID Sales Tax") for a period of twenty (20) years from the date the CID Sales Tax becomes effective in the District.
2. Pursuant to Section 67.1545 of the CID Act, the District shall submit to the qualified voters of the District, by mail-in ballot, a proposal to authorize the CID Sales Tax, such mail-in ballot being in substantially the same form as **Exhibit A**, attached hereto and incorporated herein by reference (the "Ballot").
3. The CID Sales Tax shall be collected by the Missouri Department of Revenue and deposited into a special trust fund and used solely for such designated purpose as identified in the Ballot.
4. The District shall, and the officers and agents of the District 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.
5. This Resolution shall be in full force and effect from and after its passage and approval.

Passed this 7th day of July, 2006.

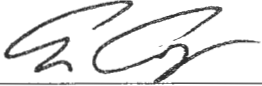




Michael B. Sullivan,
Chair of the Board of Directors

(SEAL)

ATTEST:



Michael L. Anthon,
Secretary of the Board of Directors

Exhibit A
BALLOT

Shall the Loughborough Commons Community Improvement District impose a community improvement district-wide sales tax at the rate of one percent (1.0%) for a period of not more than twenty (20) years from the date on which such tax is first imposed for the purpose of providing revenue for certain public improvements within the District, including the demolition of existing structures and the excavation, removal, grading, construction, installation, repair, and maintenance of various transportation, parking, utility, drainage, screening and other related improvements made by Loughborough Commons, L.L.C. in the District?

YES

NO

If you are in favor of the question, place an "X" in the box opposite "YES". If you are opposed to the question, place an "X" in the box opposite "NO".

EXHIBIT C

NOTICE TO DEPARTMENT OF REVENUE

September 27, 2006

Greensfelder, Hemker & Gale, P.C.
2000 Equitable Building
10 South Broadway
St. Louis, MO 63102

12 Wolf Creek Drive
Suite 100
Belleville (Swansea), IL 62226

T: 314-241-9090
F: 314-241-8624
www.greensfelder.com

CHRISTOPHER T. FELDMEIR
DIRECT DIAL: 314-345-4750
DIRECT FAX: 314-421-0831
E-MAIL: CTF@GREENSFELDER.COM

VIA CERTIFIED MAIL NO. 7005 0390 006 0244 8723
RETURN RECEIPT REQUESTED
AND FEDERAL EXPRESS

Ms. Trish Vincent
Director, Missouri Department of Revenue
Harry S. Truman State Office Building
301 West High Street
Jefferson City, Missouri 65101

Re: Notice of Election of Community Improvement District Sales Tax

Dear Ms. Vincent:

Pursuant to Sections 67.1545 and 32.087 of the Revised Statutes of Missouri, notice is hereby given that the qualified voters within the Loughborough Commons Community Improvement District ("District") have unanimously approved the imposition of a District-wide sales tax at the rate of 1% ("Tax"). The Tax shall be levied for a period of not more than 20 years from the date on which the Tax is first imposed, for the purpose of providing revenue for certain public improvements within the District.

Enclosed herewith for your records is a copy of the election results of the qualified voters within the District approving the Tax, as certified by the City of St. Louis Board of Election Commissioners.

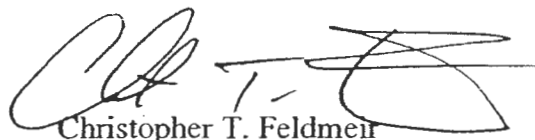
Pursuant to Sections 67.1545 and 32.087 of the Revised Statutes of Missouri, the Tax will be effective January 1, 2007 and the Department of Revenue shall perform all functions incident to the administration, collection, enforcement, and operation of tax.

If you have any questions, please do not hesitate to call.

Very truly yours,

GREENSFELDER, HEMKER & GALE, P.C.

By



Christopher T. Feldmeir

CTF/mml
Enclosures
915955.1

cc: Gary Stoff, St. Louis City Board of Election Commissions (w/ enc.)
Mike Sullivan, The Desco Group, Inc. (w/ enc.)
Catherine R. Phillips, Lewis, Rice & Fingersh, LC (w/ enc.)

7005 0390 0006 0244 8723

U.S. Postal Service™
CERTIFIED MAIL™ RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com

OFFICIAL USE

Postage \$ _____
Certified Fee _____
Return Receipt Fee (Endorsement Required) _____
Restricted Delivery Fee (Endorsement Required) _____
Total Postage & Fees \$ _____



Sent to Ms. Trish Vincent
Director, Missouri Department of Revenue
Harry S. Truman State Office Building
301 West High Street
Jefferson City, Missouri 65101

PS Form 3800, June 2002 See Reverse for Instructions

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Ms. Trish Vincent
Director, Missouri Department of Revenue
Harry S. Truman State Office Building
301 West High Street
Jefferson City, Missouri 65101

COMPLETE THIS SECTION ON DELIVERY

A. Signature
X 28 SEP 2006 PM 4
 Agent
 Addressee

B. Received by (Printed Name)
C. Date of Delivery
 Yes
 No
OF REVENUE 10/02/06

3. Service Type
 Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee) Yes

7005 0390 0006 0244 8723

EXHIBIT D

RESOLUTION NO. 2007-19

RESOLUTION NO. 2007-19

**A RESOLUTION OF THE LOUGHBOROUGH COMMONS COMMUNITY
IMPROVEMENT DISTRICT AUTHORIZING THE ISSUANCE OF A
SUBORDINATED COMMUNITY IMPROVEMENT REVENUE NOTE, SERIES 2007,
AND AUTHORIZING THE EXECUTION
OF A SUPPLEMENT TO THE TRUST INDENTURE**

WHEREAS, pursuant to the Community Improvement District Act, Sections 67.1401 to 67.1571 of the Revised Statutes of Missouri, as amended (the "CID Act"), the City of St. Louis, Missouri (the "City") adopted Ordinance No. 67088 on May 17, 2006 (the "Ordinance"), establishing the Loughborough Commons Community Improvement District (the "District") for the purpose of financing certain community improvements referenced in the Ordinance (the "Project"); and

WHEREAS, the District has previously authorized the issuance of its Community Improvement Revenue Notes, Series 2007 in the aggregate outstanding principal amount of not to exceed \$5,000,000, exclusive of costs of issuance and accrued interest (the "CID Notes") to Loughborough Commons, L.L.C., a Missouri limited liability company (the "Developer") in order to reimburse the Developer for costs incurred in connection with the Project (as defined in the Original Indenture) in accordance with and pursuant to the CID Act and that certain Trust Indenture dated as of January 1, 2007 by and between the District and the Trustee (the "Original Indenture"); and

WHEREAS, the CID Notes are currently outstanding in the aggregate principal amount of \$3,925,000; and

WHEREAS, the Developer, as the registered owner (the "Owner") of 100% of the outstanding CID Notes, has consented in writing to the execution of a supplement to the Original Indenture as required by Article X of the Original Indenture; and

WHEREAS, the City has entered into a Redevelopment Agreement dated as of March 30, 2005 (the "Redevelopment Agreement") with the Developer, in order to provide for a redevelopment project, as described therein, which includes the Project; and

WHEREAS, pursuant to the Redevelopment Agreement and a Trust Indenture dated as of November 1, 2007 between The Industrial Development Authority of the City of St. Louis (the "Authority") and UMB Bank, N.A., as trustee (the "Bond Indenture"), the Authority will issue its Tax Increment and Community Improvement Refunding Revenue Bonds, Series 2007 (Loughborough Commons Redevelopment Project) (the "Bonds") in the aggregate principal amount of \$18,430,000 for the purpose of, among other things, refunding \$3,790,000 principal amount of the outstanding CID Notes and all accrued interest on the CID Notes to the date of payment (the "Refunding"); and

WHEREAS, following the issuance and delivery of the Bonds, \$135,000 principal amount of the CID Notes will remain outstanding (the “Outstanding CID Notes”); and

WHEREAS, following the Refunding and upon surrender of the Outstanding CID Notes, the District will issue a replacement note to the Owner in the principal amount of \$135,000, which replacement note shall be specifically subordinate and junior to the Bonds (herein referred to as the “Subordinate Note”) such that no payment of principal of or interest on the Subordinate Note may be made while any Bonds are Outstanding (as defined in the Bond Indenture); and

WHEREAS, pursuant to Section 67.1451.8 of the CID Act, the board of directors of a community improvement district is authorized to act on behalf of the District.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE LOUGHBOROUGH COMMONS COMMUNITY IMPROVEMENT DISTRICT AS FOLLOWS:

1. The District does hereby authorize the execution of a supplement to the Original Indenture by and between the District and the Trustee to provide for the issuance of the Subordinate Note and the subordination thereof, pursuant to the form attached hereto as Exhibit A, together with such amendments thereto as the Chairman may deem necessary or appropriate.


2. The District does hereby approve the execution, delivery and sale by the District to Developer of the Subordinate Note in the aggregate principal amount of \$135,000 exclusive of costs of issuance and accrued interest, pursuant to the form attached hereto as Exhibit B.

3. The District shall, and the officials, agents and employees of the District 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 District with respect to the execution of a supplement to the Original Indenture and the issuance of the Subordinate Note.

4. This Resolution shall take effect and be in full force from and after the date of its adoption by the Board of Directors.

This Resolution was adopted at the meeting of the Board of Directors of the District duly called and held on this date. This Resolution shall be filed by the Custodian of Records of the District with the minutes of the meetings of the Board of Directors.

Approved this 26th day of November, 2007.


Michael B. Sullivan,
Chairman of the Board of Directors

(SEAL)

ATTEST:



Michael L. Anthon,
Secretary of the Board of Directors

EXHIBIT A

FIRST SUPPLEMENTAL TRUST INDENTURE

THIS FIRST SUPPLEMENTAL TRUST INDENTURE (the "*First Supplemental Indenture*"), made and entered into as of November 1, 2007, by and between **LOUGHBOROUGH COMMONS COMMUNITY IMPROVEMENT DISTRICT**, a community improvement district and political subdivision duly organized and existing under the laws of the State of Missouri (the "*District*"), and **UMB BANK, N.A.**, St. Louis, Missouri, a national banking association duly organized and existing and authorized to accept and execute trusts of the character herein set out under the laws of the United States of America and having a corporate trust office located in St. Louis, Missouri, as trustee (the "*Trustee*"), amends and supplements that certain Trust Indenture dated as of January 1, 2007 by and between the District and the Trustee (the "*Original Indenture*").

RECITALS:

WHEREAS, on March 10, 2006, the City of St. Louis, Missouri (the "*City*") adopted Ordinance Number 67088 which, among other things, established the Loughborough Commons Community Improvement District (the "*District*") as a political subdivision pursuant to and in accordance with the Missouri Community Improvement District Act, Sections 67.1401 through 67.1571, Revised Statutes of Missouri, as amended (the "*CID Act*");

WHEREAS, the District has previously authorized the issuance of its Tax-Exempt Community Improvement Revenue Notes, Series 2007 in the aggregate outstanding principal amount of not to exceed \$5,000,000, exclusive of costs of issuance and accrued interest (the "*CID Notes*") to the Developer in order to reimburse the Developer for costs incurred in connection with the Project (as defined in the Original Indenture), in accordance with and pursuant to the CID Act; and

WHEREAS, the CID Notes are currently outstanding in the aggregate principal amount of \$3,925,000; and

WHEREAS, the Developer, as the registered owner (the "*Owner*") of 100% of the outstanding CID Notes, has consented in writing to the execution and delivery of this First Supplemental Indenture as required by **Article X** of the Original Indenture; and

WHEREAS, the City has entered into a Redevelopment Agreement dated as of March 30, 2005 (the "*Redevelopment Agreement*") with the Developer, in order to provide for a redevelopment project, as described therein, which includes the Project (as defined in the Original Indenture); and

WHEREAS, pursuant to the Redevelopment Agreement and a Trust Indenture dated as of November 1, 2007 between The Industrial Development Authority of the City of St. Louis (the "*Authority*") and UMB Bank, N.A., as trustee (the "*Bond Indenture*"), the Authority will issue its Tax Increment and Community Improvement Refunding Revenue Bonds, Series 2007 (Loughborough Commons Redevelopment Project) (the "*Bonds*") in the aggregate principal amount of \$18,430,000 for the purpose of, among other things, refunding \$3,790,000 principal amount of the outstanding CID Notes and all accrued interest on the CID Notes to the date of payment (the "*Refunding*"); and

WHEREAS, following the issuance and delivery of the Bonds, \$135,000 principal amount of the CID Notes will remain outstanding (the "*Outstanding CID Notes*"); and

WHEREAS, following the Refunding and upon surrender of the Outstanding CID Notes, the District will issue a replacement note to the Owner in the principal amount of \$135,000, which replacement note shall be specifically subordinate and junior to the Bonds (herein referred to as the "*Subordinate Note*") such that no payment of principal of or interest on the Subordinate Note may be made while any Bonds are Outstanding (as defined in the Bond Indenture); and

WHEREAS, on November 26, 2007, the Board of Directors of the District adopted Resolution No. 2007-19 (the “*Subordinate Note Resolution*”), authorizing the District to enter into this First Supplemental Indenture and to issue the Subordinate Note; and

WHEREAS, pursuant to the CID Act, the Subordinate Note Resolution, the Original Indenture (as amended by this First Supplemental Indenture and as may be further amended from time to time, the “*Indenture*”), and with the written consent of the Owner pursuant to **Article X** of the Original Indenture, the District is authorized to execute and deliver to enter into this First Supplemental Indenture and to issue the Subordinate Note for the purpose of providing funds to reimburse the Developer for financing certain costs associated with the Developer’s construction of the Project (as defined in the Indenture); and

WHEREAS, all things necessary to make the Subordinate Note, when authenticated by the Trustee and issued as in the Indenture provided, the valid, legal and binding obligations of the District, and to constitute the Indenture a valid, legal and binding pledge and assignment of the property, rights, interest and revenues herein made for the security of the payment of the principal of, and redemption premium, if any, and interest on the Subordinate Note, have been done and performed, and the execution and delivery of this First Supplemental Indenture and the execution and issuance of the Subordinate Note, subject to the terms hereof, have in all respects been duly authorized;

NOW, THEREFORE, THIS FIRST SUPPLEMENTAL TRUST INDENTURE WITNESSETH, and it is hereby expressly declared, covenanted and agreed by and between the parties hereto, that the Subordinate Note issued and secured hereunder is to be issued, authenticated and delivered and that 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 expressed in the Original Indenture and as provided herein, and the District does hereby agree and covenant with the Trustee and with the Owner of the Subordinate Note as follows:

ARTICLE I **DEFINITIONS AND RULES OF CONSTRUCTION**

Section 101. Definitions of Words and Terms. Unless otherwise defined herein, capitalized words and terms used herein shall have the meanings ascribed to such terms in the Original Indenture. Section 101 of the Original Indenture is hereby amended as follows:

(a) The definitions of “**CID Revenues**” and “**Note or Notes**” are deleted. The following new definitions are hereby added:

“**CID Notes**” means the District’s Community Improvement Revenue Notes, Series 2007 in the aggregate principal amount of not to exceed \$5,000,000, exclusive of Costs of Issuance and accrued interest.

“**CID Revenues**” means all revenues of the CID Sales Tax (less the Missouri Department of Revenue’s once percent (1%) collection fee and less that portion of revenues that constitute EATs), that have been appropriated by the District to the payment of the Bonds, but not including: (i) any amount paid under protest until the protest is withdrawn or resolved against the taxpayer; or (ii) any sum received by or on behalf of the District that is the subject of a suit or other claim communicated to the District, which suit or claim challenges the collection of such sum. [NOTE: Subject to further review – this definition does not work once the Bonds are paid because the EATs will be captured by the District at that point]

“**EATs**” shall have the meaning assigned to such term in the Bond Indenture.

“**Note or Notes**” means initially, the CID Notes; following repayment of \$3,790,000 principal amount thereof plus accrued interest thereon to the date of payment, however, “*Note*” or “*Notes*” shall mean the Subordinate Note.

(b) The Original Indenture is further amended to include the following new terms:

“**Arbitrage Certificate**” means the Non-Arbitrage Certificate of the District related to the Notes.

“**Bond Indenture**” shall have the meaning assigned to such term in the Recitals hereof.

“**Bonds**” shall have the meaning assigned to such term in the Recitals hereof, but expressly excludes any subsequent obligations issued to refund the Bonds.

“**Original Indenture**” shall have the meaning assigned to such term in the Recitals hereof.

“**Subordinate Note**” means the District’s \$135,000 principal amount Subordinate Tax-Exempt Community Improvement Note, Series 2007, authorized by the Resolution and the Indenture.

“**Subordinate Note Resolution**” means Resolution No. 2007-19 adopted by the Board of Directors of the District on November 26, 2007, authorizing, among other things, the issuance, sale and delivery of the Subordinate Note, and the execution of certain documents related thereto in accordance with Indenture.

Section 102. Rules of Construction. For all purposes of this First Supplemental 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 and vice versa.

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

(c) The headings and captions herein are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this First Supplemental Indenture.

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

ARTICLE II

THE SUBORDINATE NOTE

Section 201. Authorization, Principal Amount and Series Designation. Upon: (a) the payment of \$3,790,000 principal amount of the outstanding CID Notes and all accrued interest on the CID Notes to the date of payment to the Owner, and (b) surrender of all CID Notes to the Trustee, there is hereby authorized to be issued a Note entitled to the benefit, protection and security of the Indenture in the aggregate principal amount of One Hundred Thirty-Five Thousand and 00/100 Dollars (\$135,000), exclusive of Costs of Issuance and accrued interest. Such Note shall be designated “Subordinate Tax-

Exempt Community Improvement Note, Series 2007.” The Subordinate Note is issuable in Authorized Denominations.

Section 202. Nature of Obligations; Subordinate Status. The Subordinate Note and the interest thereon shall be a special obligation of the District payable solely as to principal, premium, if any, and interest solely from the Pledged Revenues and other moneys pledged thereto and held by the Trustee pursuant to the Indenture, provided that the Subordinate Note shall be specifically subordinate and junior to the Bonds such that no payment of principal of or interest on the Subordinate Note may be made while any Bonds are Outstanding (as defined in the Bond Indenture). No member, agent, employee, director elected official or officer of the District shall at any time or under any circumstances be individually or personally liable under the Indenture for anything done or omitted to be done by the District thereunder. The Subordinate Note and the interest thereon shall not constitute a debt or liability of the District, the City of St. Louis, Missouri, the State of Missouri or any political subdivision thereof within the meaning of any constitutional or statutory debt limitation or restriction.

Section 203. Description of the Subordinate Note; Restrictions on Transfer.

(a) The Subordinate Note, upon original issuance, is to be issued as a single note in certificated form. The Subordinate Note shall be registered on the Register in the name of or as directed by the purchaser thereof. The Subordinate Note may only be purchased by or transferred to an Approved Investor and only upon receipt and approval by the District of a letter executed by the proposed purchaser in substantially the form of **Exhibit C** to the Original Indenture. Subject to the limitations of the preceding sentence, the Subordinate Note may be transferred only upon the Register upon surrender thereof to the Trustee duly endorsed for transfer or accompanied by an assignment duly executed by the Owner or his attorney or legal representative in such form as shall be satisfactory to the Trustee. Upon any such transfer, the District shall execute and the Trustee shall authenticate and deliver in exchange for such Note a new fully registered Subordinate Note, registered in the name of the transferee, of the same series and in any denomination or denominations authorized by the Indenture.

(b) The Subordinate Note shall be dated, numbered and bear interest as provided in the Original Indenture and shall be in Authorized Denominations equal to the outstanding principal amount thereof. Such Subordinate Note shall mature on the Maturity Date (subject to prior redemption as in **Article III** of the Original Indenture).

(c) When the Subordinate Note shall have been executed, authenticated and registered as required by the Original Indenture and upon satisfaction of the requirements of **Section 205(d)** thereof, the Trustee shall deliver the Subordinate Note to or upon the order of the Developer, as the purchaser thereof. The Developer shall be deemed to have advanced funds necessary to purchase such Note pursuant to **Section 404** of the Original Indenture, upon the surrender of the CID Notes for cancellation.

ARTICLE III
REDEMPTION OF THE SUBORDINATE NOTE

Section 301. Redemption of Subordinate Note. The Subordinate Note shall be subject to redemption as provided in **Article III** of the Indenture.

ARTICLE IV
FORM OF NOTE

Section 401. Form of Note. The Original Indenture is hereby amended to delete **Exhibit A** thereto, and **Exhibit A** to this First Supplemental Indenture shall be substituted therefor. The Subordinate Note shall be issued in substantially the form of **Exhibit A** hereto.

ARTICLE V
FUNDS AND REVENUES

Section 501. Revenue Fund.

(a) **Section 402** of the Original Indenture is hereby amended to include the following new first sentence:

All provisions of this Section 402 shall only be effective when no Bonds are Outstanding, as provided under the Bond Indenture.

(b) **Section 402(b)** of the Original Indenture is hereby amended by adding a new subparagraph “First” as set forth below. The remaining subparagraphs shall be renumbered “Second” through “Seventh.”

First, for transfer to the United States of America, an amount sufficient to pay any arbitrage rebate owed pursuant to Section 148 of the Code, as directed in writing by the District pursuant to the Arbitrage Certificate;

ARTICLE VI
MISCELLANEOUS

Section 601. Authority for this First Supplemental Indenture. This First Supplemental Indenture is authorized pursuant to the provisions of and in accordance with **Article X** of the Indenture. Unless modified or amended by the terms of this First Supplemental Indenture, all other provisions of the Original Indenture remain in full force and effect. All other terms and provisions of the Original Indenture hereby ratified and confirmed.

Section 602. Execution in Counterparts. This First Supplemental 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 603. Severability. If any provision in the First Supplemental Indenture shall be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 604. Governing Law. This First Supplemental Indenture shall be governed by and construed in accordance with the laws of the State of Missouri.

(The remainder of this page is intentionally left blank.)

IN WITNESS WHEREOF, Loughborough Commons Community Improvement District has caused this First Supplemental Trust Indenture to be signed in its name and behalf by its Chair or Vice Chair and its corporate seal to be hereunto affixed, imprinted or reproduced and attested by its Secretary or Assistant Secretary, as of the day first above written.

**LOUGHBOROUGH COMMONS COMMUNITY
IMPROVEMENT DISTRICT**

By: _____
Michael B. Sullivan, Chairman

IN WITNESS WHEREOF, UMB Bank, N.A., has caused this First Supplemental Trust Indenture to be signed in its name and behalf by one of its duly authorized officers and its corporate seal to be hereunto affixed and attested by one of its duly authorized officers as of the day first above written.

**UMB BANK, N.A.
AS TRUSTEE**

By: _____
Victor Zarrilli, Vice President

(SEAL)

ATTEST:

Name: _____

Title: _____

2538641.1

EXHIBIT B

**THIS NOTE OR ANY PORTION HEREOF MAY BE TRANSFERRED, ASSIGNED
OR
NEGOTIATED ONLY AS PROVIDED IN THE HEREIN DESCRIBED
INDENTURE.**

**UNITED STATES OF AMERICA
STATE OF MISSOURI**

Registered
No. R-___

Registered
\$135,000 (exclusive of
Costs of Issuance and accrued interest)

**LOUGHBOROUGH COMMONS COMMUNITY IMPROVEMENT DISTRICT
TAX-EXEMPT SUBORDINATED COMMUNITY IMPROVEMENT REVENUE
NOTE, SERIES 2007**

Rate of Interest:	Maturity Date:	Dated Date:	CUSIP No.
9.75%	January 1, 2027	November 27, 2007	N/A

REGISTERED OWNER: LOUGHBOROUGH COMMONS, L.L.C.

PRINCIPAL AMOUNT: \$135,000

LOUGHBOROUGH COMMONS COMMUNITY IMPROVEMENT DISTRICT, a community improvement district and an incorporated political subdivision duly organized and validly existing under the Constitution and laws of the State of Missouri (the "District"), for value received, hereby promises to pay to the Registered Owner shown above, or registered assigns, the outstanding Principal Amount as provided herein and on the Maturity Date shown above. This Note shall bear interest at a fixed rate per annum equal to Nine and Three Quarters Percent (9.75%) commencing on the Dated Date shown above. Interest shall be payable semiannually on January 1 and July 1 in each year (each, an "Interest Payment Date"), beginning on the first Interest Payment Date following the Dated Date shown above. Interest which remains unpaid on any Interest Payment Date shall be compounded semiannually. Interest shall be calculated on the basis of a 360-day year of twelve 30-day months.

Except as otherwise provided herein, the capitalized terms herein shall have the meanings as provided in the Indenture (as hereinafter defined).

The principal of this Note shall be paid at maturity or upon earlier redemption upon presentation and surrender of this Note at the principal payment office or such other designated office of the Trustee (as hereinafter defined) to the person in whose name this Note is registered on the Register at the maturity or redemption date thereof. The interest payable on this Note on any Interest Payment Date shall be paid by UMB Bank, N.A., St. Louis, Missouri (the "Trustee") to the person in whose name this Note is registered on the Register at the close of business on the fifteenth day (whether or not a Business Day) of the calendar month next preceding such Payment Date. Such interest shall be payable (a) by check or draft mailed by the Trustee to the address of such registered Owner shown on the Register or (b) in the case of a principal or interest payment to any registered owner of either (i) all of the Notes Outstanding, or (ii) \$50,000 or more in aggregate principal amount of Notes, by electronic transfer to such registered Owner upon written notice given to the Trustee not less than 5 days prior to the Record Date for such interest and signed by such registered Owner, containing the electronic transfer instructions including the name of the bank (which shall be in the continental United States), ABA routing number and account name and account number to which such Registered Owner wishes to have such transfer directed. The principal or redemption price of and interest on the Notes shall be payable by check or draft in any coin or currency that, on the respective dates of payment thereof, is legal tender for the payment of public and private debts.

This Note is one of an authorized series of fully registered notes of the District designated "Loughborough Commons Community Improvement District, Tax-Exempt Subordinated Community Improvement Revenue Notes, Series 2007," in the aggregate principal amount of \$135,000 exclusive of Costs of Issuance and accrued interest (the "Notes").

The Notes are being issued pursuant to a Trust Indenture dated as of January 1, 2007, as supplemented and amended November 1, 2007 between the District and the Trustee (the "Indenture"), for the purpose of providing funds to (a) pay a portion of certain Project Costs and (b) pay costs of issuance of the Notes, all under the authority of and in full compliance with the Constitution and laws of the State of Missouri, including particularly the Community Improvement District Act, Sections 67.1401 through 67.1571, inclusive, of the Revised Statutes of Missouri, as amended (the "CID Act").

The Notes constitute special, limited obligations of the District payable as to principal, premium, if any, and interest solely from the Pledged Revenues and other moneys pledged thereto and held by the Trustee pursuant to the Indenture. The Notes shall not constitute debts or liabilities of the District, the City, the State of Missouri or any political subdivision thereof within the meaning of any constitutional or statutory debt limitation or restriction.

The Notes are subordinated and junior to those certain Tax Increment and Community Improvement Refunding Revenue Bonds, Series 2007 (Loughborough Commons Redevelopment Project) ("Refunding Bonds") issued by the Industrial Development Authority of the City of St. Louis, Missouri ("Authority") pursuant to a

trust indenture dated as of November 1, 2007 between the Authority and UMB Bank, N.A., as trustee, as more fully provided in the Indenture.

The Notes are subject to redemption as follows:

(a) *Optional Redemption.* The Notes are subject to optional redemption by the District in whole or in part at any time, at a redemption price equal to 100% of the principal amount of the Notes to be redeemed, plus accrued interest to the redemption date.

(b) *Special Mandatory Redemption.*

(1) The Notes are subject to special mandatory redemption by the District on any Payment Date, at the redemption price of 100% of the principal amount being redeemed, together with accrued interest thereon to the date fixed for redemption, in an amount equal to the amount which is on deposit in the Redemption Account of the Debt Service Fund 40 days (10 days if all of the Notes are owned by the Developer and, in each case if such date is not a Business Day, the immediately preceding Business Day) prior to each Payment Date (or if such date is not a Business Day, the immediately preceding Business Day).

(2) The Notes are subject to special mandatory redemption by the District, in whole but not in part, on any date in the event that moneys in the Special Trust Fund, the Revenue Fund or the Debt Service Fund are sufficient to redeem all of the Notes at a redemption price of 100% of the Notes Outstanding, together with accrued interest thereon to the date fixed for redemption.

Notes shall be redeemed only in Authorized Denominations. When less than all of the Outstanding Notes are to be redeemed and paid prior to maturity, such Notes shall be selected by the Trustee in Authorized Denominations in such equitable manner as the Trustee may determine.

Unless waived by any Owner of Notes to be redeemed, official notice of any redemption of any Note shall be given by the Trustee on behalf of the District by mailing a copy of an official redemption notice by first class mail, postage prepaid, at least 30 days (5 days if all of the Notes are owned by the Developer) prior to the date fixed for redemption to the Owner of the Note or Notes to be redeemed at the address shown on the Register; provided, however, that failure to give such notice by mailing as aforesaid to any Owner or any defect therein as to any particular Note shall not affect the validity of any proceedings for the redemption of any Notes. Notice of redemption having been given as aforesaid, the Notes or portions of Notes so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the District defaults in the payment of the redemption price) such Notes or portions of Notes shall cease to bear interest, shall no longer be secured by the Indenture and shall not be deemed to be Outstanding under the provisions of the Indenture. Any defect in any notice or the failure of any parties to receive any

notice of redemption shall not cause any Note called for redemption to remain Outstanding.

The District, the elected officials, officers and employees of the District and any person executing the Notes shall not be personally liable for such obligations by reason of the issuance thereof.

The Notes are issuable in the form of fully registered Notes without coupons in the denomination of \$5,000 or any multiple of \$1.00 in excess thereof.

This Note may be transferred or exchanged, as provided in the Indenture, only upon the books for the registration, transfer and exchange thereof (the "Register") kept by the Trustee, upon surrender of this Note together with a written instrument of transfer satisfactory to the Trustee duly executed by the registered Owner or the registered Owner's duly authorized agent. THE OWNER HEREOF EXPRESSLY AGREES, BY SUCH OWNER'S ACCEPTANCE HEREOF, THAT THE RIGHT TO TRANSFER, ASSIGN OR NEGOTIATE THIS NOTE SHALL BE LIMITED TO TRANSFER, ASSIGNMENT OR NEGOTIATION TO APPROVED INVESTORS, AS THAT TERM IS DEFINED IN THE INDENTURE. Accordingly, this Note will be transferable only upon prior delivery to the Trustee of a letter in substantially the form attached to the Indenture as **Exhibit C**, signed by the transferee, showing that such transferee is an Approved Investor. After the Trustee receives the foregoing statement, a new Note of the same maturity and in the same principal amount outstanding as the Note which was presented for transfer or exchange shall be issued to the transferee in exchange therefor as provided in the Indenture, and upon payment of the charges therein prescribed. The District and the Trustee may deem and treat the person in whose name this Note is registered on the Register as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or redemption price hereof and interest due hereon and for all other purposes.

This Note shall not be valid or binding on the District or be entitled to any security or benefit under the Indenture until the Certificate of Authentication hereon has been executed by the Trustee.

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

ORAL AGREEMENTS OR COMMITMENTS TO LOAN MONEY, EXTEND CREDIT, OR TO FOREBEAR FROM ENFORCING REPAYMENT OF A DEBT INCLUDING PROMISES TO EXTEND OR RENEW SUCH DEBT ARE NOT ENFORCEABLE. TO PROTECT YOU (BORROWER) AND US (LENDER) FROM MISUNDERSTANDING OR DISAPPOINTMENT, ANY AGREEMENTS WE REACH COVERING SUCH MATTERS ARE CONTAINED IN THIS WRITING, WHICH IS THE COMPLETE AND EXCLUSIVE STATEMENT OF

THE AGREEMENT BETWEEN US, EXCEPT AS WE MAY LATER AGREE IN WRITING TO MODIFY IT.

[REMAINDER OF PAGE BLANK; SIGNATURE PAGE FOLLOWS]

**IN WITNESS WHEREOF, LOUGHBOROUGH COMMONS
COMMUNITY IMPROVEMENT DISTRICT** has executed this Note by causing it to be signed by the manual or facsimile signature of its Chairman and attested by the manual or facsimile signature of its Secretary, and its official seal to be affixed or imprinted hereon, and this Note to be dated as of the Dated Date shown above.

Registration Date: _____

**LOUGHBOROUGH COMMONS
COMMUNITY IMPROVEMENT
DISTRICT**

By: _____
Michael B. Sullivan,
Chairman of the Board of
Directors

UMB BANK, N.A.,
as Trustee

(SEAL)

ATTEST:

By: _____
Authorized Signatory

By: _____
Secretary

LOUGHBOROUGH COMMONS COMMUNITY IMPROVEMENT DISTRICT

and

**UMB BANK, N.A.,
as Trustee**

TRUST INDENTURE

Dated as of January 1, 2007

Relating to:

**Not to Exceed \$5,000,000
Loughborough Commons Community Improvement District
Tax-Exempt Community Improvement Notes
Series 2007**

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TRUST INDENTURE

THIS TRUST INDENTURE (the “Indenture”), made and entered into as of January 1, 2007, by and between **LOUGHBOROUGH COMMONS COMMUNITY IMPROVEMENT DISTRICT**, a community improvement district and political subdivision duly organized and validly existing under the Constitution and laws of the State of Missouri (the “District”), and **UMB BANK, N.A.**, a national banking association duly organized and existing and authorized to accept and execute trusts of the character herein set out under the laws of the United States of America, and having a corporate trust office located in St. Louis, Missouri, as trustee (the “Trustee”).

RECITALS:

1. Pursuant to the Community Improvement District Act, Sections 67.1401 to 67.1571, inclusive, of the Revised Statutes of Missouri, as amended (the “CID Act”), and Ordinance No. 67088 adopted on May 17, 2006 (the “Approving Ordinance”), the City of St. Louis, Missouri (the “City”) approved the formation of the District as a Missouri political subdivision for the purpose of financing certain community improvements referenced in the Approving Ordinance and further defined below (the “Project”).

2. The real property within the boundaries of the District is owned by Loughborough Commons, L.L.C., a Missouri limited liability company (“Developer”) and Lowe’s Home Centers, Inc., a North Carolina corporation (“Lowe’s” and, together with Developer, the “Property Owners”).

3. Pursuant to Resolution No. 2006-03, the Board of Directors of the District submitted to the qualified voters of the District, by mail-in ballot, a proposal to authorize a sales and use tax pursuant to Section 67.1545 of the CID Act in an aggregate amount equal to 1.000% (the “CID Sales Tax”).

4. Pursuant to the official results of the mail-in ballot from the qualified voters of the District of an election held on Tuesday, September 26, 2006, as certified by the St. Louis City Board of Election Commissioners September 28, 2006, the qualified voters of the District approved the imposition of the CID Sales Tax.

5. Pursuant to Resolution No. 2006-05 of the Board of Directors of the District, the District and Developer have entered into a Development Agreement (the “Development Agreement”) dated as of December 22, 2006, pursuant to which Developer has agreed to construct and implement the Project and the District has agreed to issue obligations to finance a portion of such Project.

6. The Board of Directors of the District has determined that it is in the best interests of the District to issue its Community Improvement Revenue Note, Series 2007, in an aggregate principal amount not to exceed \$5,000,000 exclusive of Costs of Issuance (as defined herein) and accrued interest (the “Notes”) for the purpose of (a) financing certain costs associated with the

Developer's construction of the Project, (b) paying accrued interest, and (c) paying Administrative Costs (as defined herein), including without limitation Costs of Issuance of the Notes.

7. Pursuant to Resolution Nos. 2006-06 and 2006-07, the Board of Directors of the District authorized the execution of this Indenture and authorized the issuance of the Notes pursuant to this Indenture (collectively, the "Note Resolution").

8. Pursuant to the Note Resolution, the District is authorized to execute this Indenture for the purpose of issuing and securing the Notes in an aggregate principal amount not to exceed \$5,000,000, exclusive of Costs of Issuance and accrued interest.

9. All things necessary to make the Notes, when authenticated by the Trustee and issued as in this Indenture provided, the valid, legal and binding obligations of the District, 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 and interest on the Notes issued hereunder, have been done and performed, and the execution and deliver of this Indenture and the execution and issuance of the Notes, subject to the terms hereof, have in all respects been duly authorized.

NOW THEREFORE, THIS INDENTURE WITNESSETH:

GRANTING CLAUSES

That the District, in consideration of the premises, the acceptance by the Trustee of the trusts hereby created, the purchase and acceptance of the Notes by the Owners thereof, and of other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and in order to secure the payment of the principal of and interest on the Notes according to their tenor and effect and to secure the performance and observance by the District of all the covenants, agreements and conditions herein and in the Notes contained, does hereby transfer, pledge and assign, without recourse, 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 Pledged Revenues; and

(b) All moneys and securities from time to time held by the Trustee under the terms of this Indenture 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 District 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/or 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 Notes Outstanding, without preference, priority or distinction as to participation in the lien, benefit and protection hereof of one Note over or from the others, except as herein otherwise expressly provided;

PROVIDED, NEVERTHELESS, and these presents are upon the express condition, that if the District or its successors or assigns pays or causes to be paid the principal of such Notes with interest, according to the provisions set forth in the Notes, or provides for the payment or redemption of such Notes by depositing or causing to be deposited with the Trustee the entire amount of funds or securities required for payment or redemption thereof when and as authorized by the provisions of **Article IX** hereof, and also pays or causes to be paid all other sums payable hereunder by the District, then these presents and the estate and rights hereby granted shall cease, terminate and become void; 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 Notes 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 District does hereby agree and covenant with the Trustee and with the respective Owners from time to time of the Notes, as follows:

ARTICLE I

DEFINITIONS; RULES OF CONSTRUCTION

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

“Administrative Costs” means overhead expenses of the District for administration, supervision and inspection incurred in connection with the Project and include without limitation the following: (a) reimbursement (in an amount not to exceed one percent (1.0%) of the CID Revenues collected in the applicable year) of expenses incurred by the City pursuant to Section 67.1461.3 of the CID Act to establish the District and review the District’s annual budgets and reports; (b) reimbursement of the petitioners for the costs of filing and pursuing the petition to establish the District (including without limitation reasonable attorneys fees) and all publication and incidental costs incurred therewith; (c) reimbursement of the Board of Directors for actual expenditures in the performance of authorized duties on behalf of the District; (d) costs related to any authorized indebtedness of the District, including the issuance and repayment of obligations; and (e) any other costs or expenses incurred by the District in the exercise of the powers granted under the CID Act.

“Annual Operating Fund Deposit” means (a) during calendar year 2007, the sum of Five Thousand Dollars (\$5,000.00) and (b) during any calendar year thereafter, the sum of Five Thousand Dollars (\$5,000.00), or in each case such greater amount upon written notification from the District to the Trustee that such amount is required for expenditures serving a legitimate District purpose.

“Approved Investors” means (a) the Developer, (b) an “accredited investor” under Rule 501(a) of Regulation D promulgated under the Securities Act of 1933, (c) a “qualified institutional buyer” under Rule 144A promulgated under the Securities Act of 1933, or (d) any general business corporation or enterprise with total assets in excess of \$50,000,000.

“Authorized District Representative” means the Chairman of the Board of Directors of the District, or such other person at the time designated to act on behalf of the District as evidenced by written certificate furnished to the Trustee containing the specimen signature of such person and signed on behalf of the District by its Chairman of the Board of Directors. Such certificate may designate an alternate or alternates, each of whom shall be entitled to perform all duties of the Authorized District Representative.

“Authorized Denominations” means \$5,000 or any multiple of \$1.00 in excess thereof.

“Business Day” means any day other than a Saturday, Sunday or any other day on which banking institutions in the city in which the principal corporate trust office or payment office of the Trustee is located are required or authorized by law to close.

“Certificate of Reimbursable Project Costs” means a document in substantially the same form of **Exhibit C** attached to the Development Agreement delivered by the Developer to the District evidencing Reimbursable Project Costs incurred by the Developer in furtherance of construction of the Project.

“Certificate of Substantial Completion” means a document in substantially the same form of **Exhibit E** attached to the Development Agreement delivered by the Developer to the District in accordance with the Development Agreement.

“CID Act” means the Missouri Community Improvement District Act, Sections 67.1401 to 67.1571, inclusive, of the Revised Statutes of Missouri, as amended.

“CID Revenues” means the gross amount of the CID Sales Tax and any other funding mechanism authorized and levied by the District in accordance with the CID Act and collected by the District.

“CID Sales Tax” has that meaning ascribed to it in the recitals hereto.

“City” means the City of St. Louis, Missouri.

“Code” means the Internal Revenue Code of 1986, as amended, and the applicable regulations, temporary regulations and proposed regulations thereunder.

“Costs of Issuance” means all costs reasonably incurred in furtherance of the issuance of the Notes, including but not limited to the issuance fees of the District, attorney’s fees, the fees and expenses of financial advisors and consultants (including with respect to any feasibility study), trustee’s fees, the costs of printing the Notes and any official statements relating thereto, the costs of credit enhancement, if any, capitalized interest, and the fees of any rating agency rating the Notes.

“Debt Service Fund” means the fund by that name created in **Section 401** hereof.

“Developer” means Loughborough Commons, L.L.C., its successors and assigns.

“Development Agreement” means that certain Development Agreement between the District and Developer dated as of December 22, 2006.

“District” means Loughborough Commons Community Improvement District, a community improvement district and political subdivision of the State.

“Event of Default” means any event or occurrence as defined in **Section 701** hereof.

“Financing Documents” means this Indenture and the Development Agreement.

“Fiscal Year” means the fiscal year adopted by the District for accounting purposes, which as of the execution of this Indenture commences on July 1 and ends on June 30.

“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 and backed by the full faith and credit thereof.

“Immediate Notice” means notice given no later than the close of business on the date required by the provisions of this Indenture by telegram, telex, telecopier or other telecommunication device to such phone numbers or addresses as are specified in **Section 1102** hereof or such other phone number or address as the addressee shall have directed in writing, the

receipt of which is confirmed by telephone, promptly followed by written notice by first-class mail, postage prepaid to such addressees.

“Investment Securities” means any of the following securities purchased in accordance with **Section 502** hereof, if and to the extent the same are at the time legal for investment of the funds being invested:

- (a) Government Securities;
- (b) bonds, notes or other obligations of the State, or any political subdivision of the State, that at the time of their purchase are rated in either of the two highest rating categories by a nationally recognized rating service;
- (c) repurchase agreements with any bank, bank holding company, savings and loan association, trust company, or other financial institution organized under the laws of the United States or any state, including, without limitation, the Trustee or any of its affiliates, that are continuously and fully secured by any one or more of the securities described in clause (a) or (b) above and have a market value, exclusive of accrued interest, at all times at least equal to the principal amount of such repurchase agreement and are held in a custodial or trust account for the benefit of the District;
- (d) obligations of Fannie Mae, the Government National Mortgage Association, the Federal Financing Bank, the Federal Intermediate Credit Corporation, Federal Banks for Cooperatives, Federal Land Banks, Federal Home Loan Banks, Farmers Home Administration and Federal Home Loan Mortgage Corporation;
- (e) certificates of deposit or time deposits, whether negotiable or nonnegotiable, issued by any bank or trust company organized under the laws of the United States or any state, including, without limitation, the Trustee or any of its affiliates, provided that such certificates of deposit or time deposits shall be either (1) continuously and fully insured by the Federal Deposit Insurance Corporation, or (2) continuously and fully secured by such securities as are described above in clause (a) or (b) above, which shall have a market value, exclusive of accrued interest, at all times at least equal to the principal amount of such certificates of deposit or time deposits;
- (f) money market mutual funds that are invested in Government Securities or agreement to repurchase Government Securities; and
- (g) any other securities or investments that are lawful for the investment of moneys held in such funds or accounts under the laws of the State.

“Maturity Date” means twenty (20) years from the date the Notes are issued.

“Net Proceeds” means all moneys deposited (including investment earnings thereon) in the Revenue Fund that have been appropriated for the payment of the Notes, less (i) the Annual Operating Fund Deposit and (ii) Administrative Costs. Net Proceeds do not include (i) any

amount paid under protest until the protest is withdrawn or resolved against the taxpayer, and (ii) any sum received by the District which is the subject of a suit or other claim communicated to the District which suit or claim challenges the collection of such sum.

“**Note Resolution**” has that meaning ascribed to it in the recitals hereto.

“**Note**” or “**Notes**” means the District’s Community Improvement Revenue Note, Series 2007 in the aggregate principal amount not to exceed \$5,000,000, exclusive of Costs of Issuance and accrued interest.

“**Operating Fund**” means the fund by that name created in **Section 401** hereof.

“**Opinion of Counsel**” means a written opinion of an attorney or firm of attorneys addressed to the Trustee, for the benefit of the Trustee and the Owners of the Notes, who may be (except as otherwise expressly provided in this Indenture) counsel to the District, the Developer, the Owners of the Notes or the Trustee, and who is acceptable to the Trustee.

“**Outstanding**” means when used with reference to Notes, as of a particular date, all Notes theretofore authenticated and delivered under this Indenture except:

- (a) Notes theretofore cancelled by the Trustee or delivered to the Trustee for cancellation;
- (b) Notes which are deemed to have been paid in accordance with **Section 902** hereof;
- (c) Notes alleged to have been mutilated, destroyed, lost or stolen for which indemnity has been received as provided in **Section 206** hereof; and
- (d) Notes in exchange for or in lieu of which other Notes have been authenticated and delivered pursuant to this Indenture.

“**Owner**” or “**Registered Owner**” means the person in whose name any Note is registered on the Register.

“**Paying Agent**” means the Trustee 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 as paying agent for the Notes at which the principal of and interest on such Notes shall be payable.

“**Payment Date**” means any date on which the principal of or interest on any Notes is payable.

“**Petition**” means the petition to create the Loughborough Commons CID, filed with the City on February 7, 2006.

“Pledged Revenues” means the CID Revenues on deposit from time to time in the Special Trust Fund, together with investment earnings thereon.

“Prime Rate” means the prime rate reported in the “Money Rates” column or any successor column of The Wall Street Journal, currently defined therein as the base rate on corporate loans posted by at least 75% of the nation’s 30 largest banks. If The Wall Street Journal ceases publication of the Prime Rate, the “Prime Rate” shall mean the “prime rate” or “base rate” announced by Trustee, or any successor thereto.

“Project” means certain transportation, utility and other physical improvements within the District, including the demolition of existing structures, and the excavation, removal, grading, construction, installation, repair and maintenance of various transportation, parking, utility, drainage, screening and other related improvements, as more fully defined in the Petition.

“Project Costs” means the costs associated with the completion of certain transportation, utility and other physical improvements within the District, including the demolition of existing structures, and the excavation, removal, grading, construction, installation, repair and maintenance of various transportation, parking, utility, drainage, screening and other related improvements.

“Project Fund” means the fund by that name created in **Section 401** hereof.

“Record Date” for the interest payable on any Interest Payment Date means the 15th calendar day, whether or not a Business Day, of the month next preceding such Interest Payment Date.

“Register” means the registration books of the District kept by the Trustee to evidence the registration, transfer and exchange of Notes.

“Registrar” means the Trustee when acting as such under this Indenture.

“Revenue Fund” means the fund by that name created in **Section 401** hereof.

“State” means the State of Missouri.

“Special Trust Fund” means the “special trust fund” of the District authorized under Section 67.1545.8 of the CID Act, into which the CID Revenues are being deposited.

“Supplemental Indenture” means any indenture supplemental or amendatory to this Indenture entered into by the District and the Trustee pursuant to **Article X** hereof.

“Surplus Fund” means the fund by that name created in **Section 401** hereof.

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

“**Trustee**” means UMB Bank, N.A., St. Louis, Missouri, and its successor or successors and any other association or corporation which at any time may be substituted in its place pursuant to and at the time serving as trustee under this Indenture.

Section 102. Rules of Construction.

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, associations, corporations, limited liability companies and public bodies, as well as natural persons.

(c) The table of contents hereto and the headings and captions herein are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Indenture.

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

ARTICLE II

THE NOTES

Section 201. Authorization, Issuance and Terms of Notes.

(a) *Authorized Amount of Notes.* The District shall issue the Notes secured by and subject to this Indenture in an aggregate principal amount not to exceed \$5,000,000, exclusive of Costs of Issuance and accrued interest. No Notes may be issued under the provisions of this Indenture except in accordance with this Article.

(b) *Title of Notes.* The title of all Notes authorized to be issued under this Indenture shall be “Taxable/Tax-Exempt Community Improvement Revenue Notes, Series 2007.” The Notes may have such further appropriate particular designation added to or incorporated in such title for the Notes of any particular series as the District may determine.

(c) *Form of Notes.* The Notes shall be substantially in the form set forth in **Exhibit A** attached hereto, 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 Notes shall be issuable as fully registered Notes in Authorized Denominations.

(e) *Numbering.* Unless the District directs otherwise, the Notes shall be numbered from R-1 upward.

(f) *Dating.* The Notes shall be dated as provided in **Section 203(c)**, as evidenced by the Trustee's signature on **Schedule A** to each Note.

(g) *Interest.* The Notes shall bear interest at a variable rate per annum equal to the Prime Rate determined as of the date of issuance of the Note and each Payment Date thereafter. Accrued but unpaid interest shall be compounded semi-annually on each Payment Date.

(h) *Method and Place of Payment.* The principal of and interest on the Notes 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 debts due the United States of America. Payment of the principal of or interest on any Note shall be made (i) by check or draft of the Trustee mailed to the person in whose name such Note is registered on the Note Register as of the commencement of business of the Trustee on the Record Date for such Payment Date, or (ii) in the case of a principal or interest payment to any Owner of either (a) all of the Notes Outstanding or (b) \$50,000 or more in aggregate principal amount of Notes, by electronic transfer to such Owner upon written notice delivered to the Trustee not less than 5 days prior to the Record Date from and signed by such Owner containing electronic transfer instructions including the name of the bank (which shall be in the continental United States), ABA routing number and account name and account number to which such Owner wishes to have such transfer directed. Except as otherwise provided in subsection (i) with respect to Notes held by the Trustee, no principal on the Notes is payable unless the Owner thereof has surrendered such Notes at the principal payment office of the Trustee or such other office as the Trustee shall designate.

(i) *Evidence of Principal Payments.* The payment of principal of the Notes shall be noted on the Notes on **Schedule A** thereto. The Notes and the original **Schedule A** thereto shall be held by the Trustee in trust, unless otherwise directed in writing by the Owner thereof. If the Notes are held by the Trustee, the Trustee shall, on each Payment Date, send a revised copy of **Schedule A** via facsimile or electronic mail to the Owner, the Developer (if not an Owner) and the District. Absent manifest error, the amounts shown on **Schedule A** held by the Trustee shall be conclusive evidence of the principal amount paid on the Notes.

Section 202. Nature of Obligations.

(a) The Notes and the interest thereon shall be special, limited obligations of the District payable solely from the Pledged Revenues 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 Notes, as provided in this Indenture.

(b) The Notes and the interest thereon do not constitute a debt of the District, the City, the State or any political subdivision thereof, and do not constitute an indebtedness, within the meaning of any constitutional or statutory debt limitation or restriction.

(c) Except as otherwise provided in **Section 705**, no recourse shall be had for the payment of the principal of or interest on any of the Notes or for any claim based thereon or upon any obligation, covenant or agreement in this Indenture contained, against any past, present or future elected official of the District or any trustee, officer, official, employee or agent of the District, as such, either directly or through the District or any successor to the District, 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 official of the District, 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 this Indenture and the issuance of any of the Notes.

(d) The obligations of the District with respect to the Notes shall terminate on the Maturity Date, whether or not the principal amount or interest thereon has been paid in full.

Section 203. Execution, Authentication and Delivery of Notes.

(a) The Notes shall be executed on behalf of the District by the manual or facsimile signature of the Chairman of the Board of Directors and attested by the manual or facsimile signature of the Secretary of the Board of Directors, and shall have the corporate seal of the District affixed thereto or imprinted thereon. If any officer whose signature appears on any Notes ceases to be such officer before the delivery of such Notes, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such person had remained in office until delivery. Any Note may be signed by the persons who, at the actual time of the execution of such Note, are the proper officers to sign such Note although at the date of such Note such persons may not have been such officers.

(b) The Notes shall have endorsed thereon a Certificate of Authentication substantially in the form set forth in **Exhibit A** hereto, which shall be manually executed by the Trustee. No Note 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 has been duly executed by the Trustee. Such executed Certificate of Authentication upon any Note shall be conclusive evidence that such Note has been duly authenticated and delivered under this Indenture. The Certificate of Authentication on any Note 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 Notes that may be issued hereunder at any one time.

(c) Upon the submission to the Trustee by the District of each Certificate of Reimbursable Project Costs, the Trustee shall either (i) at the request of the Developer, endorse the Outstanding Note on **Schedule A** thereto to evidence an increase in the aggregate principal

amount equal to such Project Costs and send a revised copy of **Schedule A** via facsimile or electronic mail to the Owner, the Developer (if not an Owner) and the District, or (ii) at the written request of the Developer, issue a Note in a principal amount equal to such Project Costs, or any combination thereof. Each date of endorsement of each such Note shall be the date of acceptance by the District of each Certificate of Reimbursable Project Costs.

Section 204. Registration, Transfer and Exchange of Notes.

(a) The Trustee is hereby appointed Registrar and as such shall keep the Register for the registration and for the transfer of Notes as provided in this Indenture. Each Note when issued shall be registered in the name of the Owner thereof on the Register.

(b) **The Notes and beneficial interests therein may only be purchased by or transferred to Approved Investors and only upon the execution by the proposed purchaser or transferee of a letter in substantially the form attached as Exhibit C hereto.** Subject to the limitations of the preceding sentence, any Note may be transferred only upon the Register upon surrender thereof to the Trustee duly endorsed for transfer or accompanied by an assignment duly executed by the Owner or his attorney or legal representative in such form as shall be satisfactory to the Trustee. Upon any such transfer, the District shall execute and the Trustee shall authenticate and deliver in exchange for such Note a new fully registered Note or Notes, registered in the name of the transferee, of the same series and in any denomination or denominations authorized by this Indenture.

(c) Any Note, upon surrender thereof at the principal corporate trust office of the Trustee or such other office as the Trustee shall designate, together with an assignment duly executed by the Owner or his 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 Notes of the same maturity and series, of any denomination or denominations authorized by this Indenture, bearing interest at the same rate, and registered in the name of the Owner.

(d) In all cases in which Notes are exchanged or transferred hereunder, the District shall execute and the Trustee shall authenticate and deliver at the earliest practicable time Notes in accordance with the provisions of this Indenture. All Notes surrendered in any such exchange or transfer shall forthwith be canceled by the Trustee.

(e) No service charge shall be made for any registration, transfer or exchange of Notes, but the Trustee may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Notes, and such charge shall be paid before any such new Note shall be delivered. The fees and charges of the Trustee for making any transfer or exchange and the expense of any note printing necessary to effect any such transfer or exchange shall be paid by the District. In the event any Registered Owner fails to provide a correct taxpayer identification number to the Trustee, the Trustee may impose a charge against such Registered Owner sufficient to pay any governmental charge required to be paid as a result of such failure. In compliance with Section 3406 of the Code, such amount may be deducted by the Trustee from amounts otherwise payable to such Registered Owner hereunder or under the Notes.

(f) At reasonable times and under reasonable regulations established by the Trustee, the Register may be inspected and copied by the District or the Owners (or a designated representative thereof) of 10% or more in principal amount of Notes 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 Note is registered on the Register shall be deemed and regarded as the absolute owner of such Note for all purposes, and payment of or on account of the principal of and interest on any such Note shall be made only to or upon the order of the registered Owner thereof or his legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Note, including the interest thereon, to the extent of the sum or sums so paid.

Section 205. Description of Notes.

(a) There shall be issued and secured by this Indenture the Notes in an aggregate principal amount not to exceed \$5,000,000 exclusive of Costs of Issuance and accrued interest.

(b) The Notes shall mature on the Maturity Date (subject to redemption and payment prior to maturity as provided in **Article III** hereof). The Notes shall bear interest at the Prime Rate per annum determined as of the date of issuance of the Note and each Payment Date thereafter. Interest shall be computed on the basis of a 360-day year of twelve 30-day months from the date of issuance or from the most recent Payment Date to which interest has been paid or duly provided for. Interest shall be payable semiannually on January 1 and July 1 in each year, beginning on the first Payment Date following the initial transfer of moneys from the Special Trust Fund to the Revenue Fund. Interest that accrues but remains unpaid on any Payment Date shall be compounded.

(c) The Trustee is hereby designated as the Paying Agent for the payment of the principal of and interest on the Notes.

(d) The Notes shall be executed substantially in the form and manner set forth in **Exhibit A** attached hereto and delivered to the Trustee for authentication. Prior to or simultaneously with the authentication and delivery of the Notes by the Trustee, there shall be filed with the Trustee the following:

(1) A copy of the Note Resolution approving the issuance of the Notes and authorizing the execution of this Indenture.

(2) An original executed counterpart of this Indenture and the other Financing Documents.

(3) A request and authorization to the Trustee executed by the District to authenticate the Notes. The Trustee shall be entitled to rely conclusively upon such request and authorization as to the names of the purchasers.

(4) An Opinion of Counsel to the effect that the Notes constitute valid and legally binding obligations of the District and that the Notes are exempt from registration under the Securities Act of 1933, as amended, and the Indenture is exempt from qualification under the Trust Indenture Act of 1939, as amended.

(5) Such other certificates, statements, receipts, opinions and documents required by any of the foregoing documents or as the Trustee shall reasonably require for the delivery of the Notes.

(e) When the documents mentioned in paragraph (d) of this Section have been filed with the Trustee, and when the Notes have been executed and authenticated as required by this Indenture, the Trustee shall hold the Notes in trust or deliver the Notes to or upon the order of the purchasers thereof as provided herein.

Section 206. Mutilated, Lost, Stolen or Destroyed Notes. If any Note becomes mutilated or is lost, stolen or destroyed, the District shall execute and the Trustee shall authenticate and deliver a new Note of like date and tenor as the Note mutilated, lost, stolen or destroyed; provided that, in the case of any mutilated Note, such mutilated Note shall first be surrendered to the Trustee. In the case of any lost, stolen or destroyed Note, there shall be first furnished to the Trustee evidence of such loss, theft or destruction satisfactory to the Trustee, together with indemnity to the District and the Trustee satisfactory to the Trustee. If any such Note has matured, is about to mature or has been called for redemption, instead of delivering a substitute Note, the Trustee may pay the same without surrender thereof. Upon the issuance of any substitute Note, the District and the Trustee may require the payment of an amount by the Owner sufficient to reimburse the District 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.

Section 207. Cancellation and Destruction of Notes Upon Payment. All Notes 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 immediately canceled upon the payment, redemption or purchase of such Notes and the surrender thereof to the Trustee and periodically destroyed by the Trustee in accordance with applicable record retention requirements. The Trustee shall execute a certificate in duplicate describing the Notes so canceled, and shall file an executed counterpart of such certificate with the District.

ARTICLE III

REDEMPTION OF NOTES

Section 301. Redemption of Notes Generally. The Notes shall be subject to redemption prior to maturity in accordance with the terms and provisions set forth in this Article and as further set forth in the Development Agreement.

Section 302. Redemption of Notes.

(a) *Optional Redemption.* The Notes are subject to optional redemption by the District in whole or in part at any time, at a redemption price equal to 100% of the principal amount of the Notes to be redeemed, plus accrued interest to the redemption date.

(b) *Special Mandatory Redemption.*

(1) The Notes are subject to special mandatory redemption by the District on any Payment Date, at the redemption price of 100% of the principal amount being redeemed, together with accrued interest thereon to the date fixed for redemption, in an amount equal to the amount which is on deposit in the Redemption Account of the Debt Service Fund 40 days (10 days if all of the Notes are owned by the Developer and, in each case if such date is not a Business Day, the immediately preceding Business Day) prior to each Payment Date (or if such date is not a Business Day, the immediately preceding Business Day).

(2) The Notes are subject to special mandatory redemption by the District, in whole but not in part, at any time, in the event that moneys in the Special Trust Fund, the Revenue Fund or the Debt Service Fund are sufficient to redeem all of the Notes at a redemption price of 100% of the Notes Outstanding, together with accrued interest thereon to the date fixed for redemption.

Section 303. Selection of Notes to be Redeemed.

(a) Notes shall be redeemed only in Authorized Denominations. When less than all of the Outstanding Notes are to be redeemed and paid prior to maturity, such Notes or portions of Notes to be redeemed shall be selected in Authorized Denominations by the Trustee in such equitable manner as it may determine.

(b) In the case of a partial redemption of Notes when Notes of denominations greater than the minimum Authorized Denomination are then Outstanding, then for all purposes in connection with such redemption each Authorized Denomination unit of face value shall be treated as though it was a separate Note of the denomination of the minimum Authorized Denomination. If one or more, but not all, of the minimum Authorized Denomination units of principal amount represented by any Note are selected for redemption, then upon notice of intention to redeem such minimum Authorized Denomination unit or units, the Owner of such Note or his attorney or legal representative shall forthwith present and surrender such Note to the Trustee (i) for payment of the redemption price (including the interest to the date fixed for redemption) of the minimum Authorized Denomination unit or units of principal amount called for redemption, and (ii) for exchange, without charge to the Owner thereof, for a new Note or Notes of the aggregate principal amount of the unredeemed portion of the principal amount of such Note. If the Owner of any such Note of a denomination greater than minimum Authorized Denomination fails to present such Note to the Trustee for payment and exchange as aforesaid, said Note shall, nevertheless, become due and payable on the redemption date to the extent of the minimum Authorized Denomination unit or units of principal amount called for redemption (and

to that extent only) and shall cease to accrue interest on the principal amount so called for redemption.

Section 304. Notice of Redemption of Notes.

(a) In the case of Notes called for redemption under **Section 302**, the Trustee shall call Notes for redemption and payment as herein provided and shall give notice of redemption as provided below upon receipt by the Trustee at least 40 days prior to the redemption date of a written request of the District. The foregoing provisions of this Section shall not apply in the case of any mandatory redemption of Notes under this Indenture, and the Trustee shall call Notes for redemption and shall give notice of redemption pursuant to such mandatory redemption requirements without the necessity of any action by the District and whether or not the Trustee shall hold in the Debt Service Fund moneys available and sufficient to effect the required redemption.

Unless waived by any Owner of Notes to be redeemed, official notice of any redemption of any Note shall be given by the Trustee on behalf of the District by mailing a copy of an official redemption notice by first class mail, postage prepaid, at least 30 days (5 days if all of the Notes are owned by the Developer) prior to the date fixed for redemption to the Owner of the Note or Notes to be redeemed at the address shown on the Register; provided, however, that failure to give such notice by mailing as aforesaid to any Owner or any defect therein as to any particular Note shall not affect the validity of any proceedings for the redemption of any other Notes.

(b) All official notices of redemption shall be dated and shall state:

(1) the redemption date,

(2) the redemption price,

(3) if less than all Outstanding Notes are to be redeemed, the identification of the Notes to be redeemed (such identification to include interest rates, maturities, note number and such additional information as the Trustee may reasonably determine),

(4) that on the redemption date the redemption price will become due and payable upon each such Note 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 Notes are to be surrendered for payment of the redemption price, which place of payment shall be the principal payment office of the Trustee or such other office as the Trustee shall designate.

In addition to the foregoing notice, the Trustee shall also comply with any mandatory requirements or guidelines, published by the Securities and Exchange Commission relating to providing notices of redemption. The failure of the Trustee to comply with any such requirements shall not affect or invalidate the redemption of said Notes.

(c) The Trustee shall mail by first-class mail to the District a copy of such redemption notice.

Section 305. Effect of Call for Redemption. On or prior to the date fixed for redemption, moneys or Government Securities shall be deposited with the Trustee as provided in **Section 402** hereof to pay the Notes called for redemption and accrued interest thereon to the redemption date. Upon the happening of the above conditions, and notice having been given as provided in **Section 304** hereof, the Notes or the portions of the principal amount of Notes thus called for redemption shall cease to bear interest on the specified redemption date, provided moneys sufficient for the payment of the redemption price are on deposit at the place of payment at the time, 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.

ARTICLE IV

FUNDS AND REVENUES

Section 401. Creation of Funds; Application of Note Proceeds and other Moneys.

(a) The following funds of the District are hereby created and established with the Trustee:

- (1) revenue fund (the "Revenue Fund").
- (2) debt service fund (the "Debt Service Fund"), which shall contain a note payment account (the "Note Payment Account") and a redemption account (the "Redemption Account").
- (3) project fund (the "Project Fund").
- (4) surplus fund (the "Surplus Fund")
- (5) operating fund (the "Operating Fund").

Each fund and account shall be maintained by the Trustee as a separate and distinct trust fund or account and the moneys therein shall be held, managed, invested, disbursed and administered as provided in this Indenture. All moneys deposited in the funds 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 all disbursements therefrom.

Section 402. Revenue Fund.

(a) Not later than the 10th calendar day of each month (or the next Business Day thereafter if the 10th is not a Business Day) while the Note is Outstanding, the District shall cause

to be transferred all Pledged Revenues from the Special Trust Fund to the Trustee for deposit into the Revenue Fund. If the District has no Pledged Revenues to transfer to the Trustee pursuant to this section, the District shall so notify the Trustee in writing.

(b) Moneys in the Revenue Fund on the 40th day prior to each Payment Date (10 days if all of the Notes are owned by the Developer and, in each case if such date is not a Business Day, the immediately preceding Business Day) shall be applied by the Trustee to the extent necessary for the purposes and in the amounts as follows:

First, for transfer to the Operating Fund, one-half of the Annual Operating Fund Deposit;

Second, for transfer to the Note Payment Account of the Debt Service Fund, an amount sufficient to pay the interest on the Notes on the next succeeding Payment Date;

Third, for transfer to the Note Payment Account of the Debt Service Fund, an amount sufficient to pay the principal of and premium, if any, due on the Notes by their terms on the next succeeding Payment Date;

Fourth, for payment to the Trustee or any Paying Agent, an amount sufficient for payment of any fees, charges, costs and expenses which are due and owing to the Trustee or any Paying Agent, upon delivery to the District of an invoice for such amounts;

Fifth, until the Trustee's receipt of a certificate from the Authorized District Representative that the balance in the Surplus Fund is sufficient to provide for payment of all Project Costs, for transfer to the Surplus Fund all remaining funds in the Revenue Fund; and

Sixth, following the Trustee's receipt of a certificate from the Authorized District Representative that the balance in the Surplus Fund is sufficient to provide for payment of all Project Costs, to the Redemption Account of the Debt Service Fund, any amounts remaining in the Revenue Fund which shall be applied to the payment of the principal of and accrued interest on all Notes which are subject to redemption on the next succeeding Payment Date pursuant to **Section 302(b)(1)** hereof.

(c) Upon the payment in full of the principal of and interest on the Notes (or provision has been made for the payment thereof as specified in this Indenture) and the fees, charges and expenses of the Trustee and any Paying Agents, and any other amounts required to be paid under this Indenture, all amounts remaining on deposit in the Revenue Fund shall be paid to the District for deposit into the Special Trust Fund.

Section 403. Debt Service Fund.

(a) Except as otherwise provided herein, all amounts paid and credited to the Debt Service Fund shall be expended solely for the payment of the principal and interest on the Notes as the same mature and become due or upon the redemption thereof.

(b) The District hereby authorizes and directs the Trustee to withdraw (to the extent available) sufficient moneys from the Debt Service Fund to pay the principal of and interest on the Notes as the same become due and payable and to make said moneys so withdrawn available to the Paying Agent for the purpose of paying said principal of and interest on the Notes.

(c) The Trustee shall use any moneys remaining in the Debt Service Fund to redeem all or part of the Notes Outstanding and interest to accrue thereon prior to such redemption, in accordance with and to the extent permitted by **Article III** hereof, so long as said moneys are in excess of the amount required for payment of Notes theretofore matured or called for redemption.

(d) If the moneys in the Debt Service Fund are insufficient to pay all accrued interest on the Notes on any Payment Date, then such moneys shall be applied ratably, according to the amounts due on such installment, to the persons entitled thereto without any discrimination or privilege, and any unpaid portion shall accrue to the next Payment Date, with interest thereon at the rate or rates specified in the Note to the extent permitted by law. If the moneys in the Debt Service Fund are insufficient to pay the principal of the Notes on the maturity date thereof, then such moneys shall be applied ratably, according to the amounts of principal due on such date, to the persons entitled thereto without any discrimination or privilege.

(e) After payment in full of the principal of and interest on the Notes (or provision has been made for the payment thereof as specified in this Indenture), and the fees, charges and expenses of the Trustee and any Paying Agents and any other amounts required to be paid under this Indenture, all amounts remaining in the Debt Service Fund shall be paid to the District for deposit into the Special Trust Fund.

Section 404. Project Fund. Upon the acceptance by the District of a Certificate of Reimbursable Project Costs in accordance with the provisions of **Section 4.3** of the Development Agreement and the endorsement of a Note pursuant to **Section 203(c)** hereof, the Developer shall be deemed to have advanced funds necessary to purchase such Note and the District shall be deemed to have deposited such funds in the Project Fund and shall be deemed to have reimbursed the Developer in full for such costs from the amounts deemed to be on deposit in the Project Fund. The District shall promptly provide a copy of each Certificate of Reimbursable Project Costs and the Certificate of Substantial Completion to the Trustee upon the District's and/or the City's approval thereof, as the case may be.

Section 405. Operating Fund. Money in the Operating Fund shall be disbursed by the Trustee without inquiry or investigations from time to time upon receipt of a written request of the Authorized District Representative to pay costs of operating the District, maintaining the Project, costs of paying the principal of or interest on the Notes or any other lawful purpose of the District. Any Administrative Costs in excess of the Annual Operating Fund Deposit shall be carried forward for payment from the next deposit of the Annual Operating Fund Deposit.

Section 406. Surplus Fund. Except as provided in **Section 405**, moneys in the Surplus Fund shall be disbursed by the Trustee for payment or reimbursement of Project Costs upon

receipt of a written request of the Authorized District Representative, and containing the statements, representations and certifications set forth in the form of such request attached as **Exhibit B** hereto. Any moneys remaining on deposit in the Surplus Fund when the Project is completed, as evidenced by a certificate delivered by the Authorized District Representative to the Trustee, shall immediately be transferred by the Trustee to the Redemption Account in the Debt Service Fund.

Section 407. Non-Presentation of Notes. If any Note is not presented for payment when the principal thereof becomes due, either at maturity or at the date fixed for redemption thereof, and provided the Trustee is holding sufficient funds for the payment thereof, all liability of the District to the Owner thereof for the payment of such Note shall forthwith cease, terminate and be completely discharged, and thereupon it shall be the duty of the Trustee to hold such moneys, without liability for interest thereon, for the benefit of the Owner of such Note who shall thereafter be restricted exclusively to such moneys, for any claim of whatever nature on such Owner's part under this Indenture or on, or with respect to, said Note.

Any moneys so deposited with and held by the Trustee not so applied to the payment of Notes within four years after the date on which the same have become due shall be paid by the Trustee to the District without liability for interest thereon, free from the trusts created by this Indenture. Thereafter, Owners shall be entitled to look only to the District for payment, and then only to the extent of the amount so repaid by the Trustee. The District shall not be liable for any interest on the sums paid to it pursuant to this Section and shall not be regarded as a trustee of such money.

ARTICLE V

SECURITY FOR DEPOSITS AND INVESTMENT OF MONEYS

Section 501. Moneys to be Held in Trust. All moneys deposited with or paid to the Trustee for the account of any fund 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 and be subject to the lien hereof. Neither the Trustee nor any Paying Agent shall be under any liability for interest on any moneys received hereunder except as otherwise provided herein.

Section 502. Investment of Moneys.

(a) The District's Board of Directors may, in its sole discretion, invest any or all of the money in the Special Trust Fund in Investment Securities or in Government Securities. All interest earned upon the balance in the Special Trust Fund shall be deposited to the credit of the Special Trust Fund.

(b) Moneys in all funds and accounts under any provision of this Indenture shall be continuously invested and reinvested by the Trustee in Investment Securities at the written direction of the District given by the Authorized District Representative or, if such written

directions are not received, then the Trustee is authorized to invest such moneys in Investment Securities described in subparagraph (f) of the definition thereof. 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. Moneys on deposit in all funds and accounts may be invested only in Investment Securities which mature or are subject to redemption at the option of the owner thereof prior to the date such funds are expected to be needed. The Trustee may make investments through its investment division or short-term investment department.

(c) 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 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. In determining the balance in any fund or account, investments shall be valued at the lower of their original cost or their fair market value (inclusive of accrued interest thereon) on the most recent Payment Date. The Trustee shall not be liable for any loss resulting from any investment made in accordance herewith.

ARTICLE VI

PARTICULAR COVENANTS AND PROVISIONS

Section 601. Authority to Issue Notes and Execute Indenture. The District covenants that it is duly authorized under the laws of the State to execute and deliver this Indenture, to issue the Notes 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 Notes has been duly and effectively taken; and that the Notes in the hands of the Owners thereof are and will be valid and enforceable limited obligations of the District according to the import thereof.

Section 602. Covenant to Request Appropriations. The District covenants and agrees that the officer of the District at any time charged with the responsibility of formulating budget proposals is hereby directed to include in the budget proposal submitted to the District's Board of Directors for each Fiscal Year that the Notes are Outstanding a request for an appropriation of the CID Revenues for transfer to the Trustee in accordance with this Indenture. Any funds appropriated as the result of such a request shall be transferred by the District to the Trustee for deposit in the Revenue Fund. If for any reason the District has not, by the time prescribed by law, adopted a budget, the budget approved by the District for the preceding fiscal year shall be deemed to have been approved for the next fiscal year.

Section 603. Performance of Covenants. The District covenants that it will faithfully perform at all times any and all covenants, undertakings, stipulations and provisions contained in this Indenture, in the Notes and in all proceedings pertaining thereto.

Section 604. Instruments of Further Assurance. The District covenants that it will do, execute, acknowledge and deliver, or cause to be done, executed, acknowledged and delivered, 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.

Section 605. General Limitation on District 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 DISTRICT 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 606. Recording and Filing. The District shall file or cause to be kept and filed all financing statements, and the Trustee shall file or cause to be kept and filed continuation statements with respect to such originally filed financing statements related to this Indenture and all supplements hereto and such other documents as may be necessary to be kept and filed in such manner and in such places as may be required by law in order to preserve and protect fully the security of the Owners of the Notes and the rights of the Trustee hereunder. In carrying out its duties under this Section, the Trustee shall be entitled to rely on an Opinion of Counsel specifying what actions are required to comply with this Section.

Section 607. Possession and Inspection of Books and Documents. The District and the Trustee covenant and agree that all books and documents in their possession relating to the Notes, the Special Trust Fund, the Revenue Fund and the distribution of proceeds thereof shall at all reasonable times and upon reasonable notice be open to inspection by such accountants or other agencies or persons as the other party may from time to time designate.

Section 608. Tax Covenants.

(a) The District shall not use or permit the use of any proceeds of the Notes or any other funds of the District, and the Trustee shall not use any proceeds of the Notes or any other funds of the District held by the Trustee, directly or indirectly, to acquire any securities or obligations, and shall not use or permit the use of any amounts received by the District or the Trustee in any manner, and shall not take or permit to be taken any other action or actions, which would cause any Note to be an “arbitrage bond” within the meaning of Section 148(a) of the Code, or “federally guaranteed” within the meaning of Section 149(b) of the Code. If at any time the District is of the opinion that for purposes of this subsection (a) it is necessary to restrict or limit the yield on or change in any way the investment of any moneys held by the Trustee under this Indenture, the District shall so instruct the Trustee in writing and the Trustee shall act in accordance with such instructions.

(b) The District shall not (to the extent within its power or direction) use or permit the

use of any proceeds of the Notes or any other funds of the District, directly or indirectly, in any manner, and shall not take or permit to be taken any other action or actions, which would result in any of the Notes being treated as other than an obligation described in Section 103(a) of the Code if such Notes are tax-exempt under Section 103(a) of the Code.

(c) The District will not (to the extent within its power or direction) use any portion of the proceeds of the Notes, including any investment income earned on such proceeds, directly or indirectly, in a manner that would cause any Note to be a “private activity bond” within the meaning of Section 141 (a) of the Code if such Notes are tax-exempt under Section 103(a) of the Code.

(d) The Trustee agrees to comply with any written letter or Opinion of Counsel which sets forth the requirements to comply with any statute, regulation or ruling that may apply to the Trustee hereunder and relating to reporting requirements or other requirements necessary to preserve the exclusion from federal gross income of the interest on the Notes.

(e) The foregoing covenants of this Section shall remain in full force and effect notwithstanding the defeasance of the Notes pursuant to **Article IX** hereof or any other provision of this Indenture, until the final scheduled payment of all Notes Outstanding.

Section 609. Collection of Payments. The District shall, at the expense of the Trust Estate, take such lawful action within its control as may be required to cause all persons to pay all CID Revenues which are due to the District under the CID Act.

Section 610. Information to be Provided to Owners.

(a) The District shall promptly, and in any event within 180 days after the end of each Fiscal Year, provide to the Trustee and the Developer copies of the annual financial statements of the District.

(b) The Trustee shall promptly forward such information to any Owner who requests such information at such Owner’s expense.

ARTICLE VII

DEFAULT AND REMEDIES

Section 701. 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 performance or observance of any of the covenants, agreements or conditions on the part of the District in this Indenture or in the Notes contained, and the continuance thereof for a period of 30 days after written notice thereof has been given (i) to the District by the Trustee, or (ii) to the Trustee (which notice of default the Trustee shall be required to accept) and the District by the Owners of not less

than 25% in aggregate principal amount of Notes then Outstanding; provided, however, if any default is such that it cannot be corrected within such 30-day period, it shall not constitute an Event of Default if corrective action is instituted by the District within such period and diligently pursued until the default is corrected; or

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

The Trustee shall give written notice of any Event of Default to the District as promptly as practicable after the occurrence of an Event of Default of which the Trustee has notice as provided in **Section 801(h)** hereof.

Section 702. Acceleration.

(a) If an Event of Default has occurred and is continuing, the Trustee may, and shall upon the written request of the Owners of a majority in aggregate principal amount of the Notes then Outstanding, by notice in writing delivered to the District, declare the principal of all Notes then Outstanding and the interest accrued thereon immediately due and payable.

(b) In case of any rescission pursuant to the next paragraph of this Section or **Section 712** hereof, the Trustee, the District and the Owners shall be restored to their former positions 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.

At any time after such a declaration of acceleration has been made, but before any judgment or decree for payment of money due on any Notes has been obtained by the Trustee as provided in this Article, the Owners of a majority in principal amount of the Notes Outstanding may, by written notice to the District and the Trustee, rescind and annul such declaration and its consequences if:

- (a) there is deposited with the Trustee a sum sufficient to pay:
 - (1) all overdue installments of interest on all Notes;
 - (2) the principal of (and premium, if any, on) any Notes which have become due otherwise than by such declaration of acceleration and interest thereon at the rate or rates prescribed therefor in such Notes; and
 - (3) all sums paid or advanced by the Trustee hereunder and the reasonable compensation, expenses, disbursements and advances of the

Trustee, its agents and counsel; and

(b) all Events of Default, other than the non-payment of the principal of the Notes which have become due solely by such declaration of acceleration, have been cured or have been waived as provided in **Section 712** of this Indenture.

No such rescission and annulment shall affect any subsequent default or impair any right consequent thereon.

Section 703. Surrender of Possession of Trust Estate; Rights and Duties of Trustee in Possession. If an Event of Default has occurred and is continuing, the District, 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 District pertaining thereto, 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, but not limited to, (i) reasonable compensation to the Trustee, its agents and counsel, and (ii) any reasonable charges of the Trustee hereunder, and the Trustee shall apply the remainder of the moneys so received in accordance with **Section 708** hereof.

Whenever all that is due upon the Notes has been paid and all defaults made good, the Trustee shall surrender possession of the Trust Estate to the District, its successors or assigns, the same right of entry, however, to exist upon any subsequent Event of Default.

While in possession of the Trust Estate, the Trustee shall render annually to the District a summarized statement of receipts and expenditures in connection therewith.

Section 704. 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 Owners under this Indenture, the Trustee shall be entitled, 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 705. Exercise of Remedies by the Trustee. If an Event of Default has occurred and is continuing, the Trustee may pursue any available remedy at law or equity by suit, action, mandamus or other proceeding to enforce the payment of the principal of and interest on the Notes then Outstanding, and to enforce and compel the performance of the duties and obligations of the District as herein set forth.

If an Event of Default has occurred and is continuing, and if requested so to do by the Owners of not less than 25% in aggregate principal amount of the Notes then Outstanding and indemnified as provided in **Section 801(I)** hereof, 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, deems most expedient in the interests of the Owners; provided, however, that the Trustee shall not be required to take any action which in its good faith conclusion could result in

personal liability to it.

All rights of action under this Indenture or under any of the Notes may be enforced by the Trustee without the possession of any of the Notes 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 Owner, and any recovery or judgment shall, subject to **Section 708** hereof, be for the equal benefit of all the Owners of the Outstanding Notes.

Section 706. Limitation on Exercise of Remedies by Owners. No Owner 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:

- (i) a default has occurred of which the Trustee has notice as provided in **Section 801(h)** hereof, and
- (ii) such default has become an Event of Default, and
- (iii) the Owners of not less than 25% in aggregate principal amount of the Notes 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 801(i)** hereof, and
- (iv) 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 such notification, request and indemnity are hereby declared in every case, at the option of the Trustee, 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 Owners shall have any right in any manner whatsoever to affect, disturb or prejudice this Indenture by its, his or their 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 Notes then Outstanding. Nothing in this Indenture, however, shall affect or impair the right of any Owner to payment of the principal of and interest on any Note at and after its maturity or the obligation of the District to pay the principal of and interest on each of the Notes to the respective Owners thereof at the time, place, from the source and in the manner herein and in such Note expressed.

Section 707. Right of Owners to Direct Proceedings. Any other provision herein to the contrary notwithstanding, the Owners of a majority in aggregate principal amount of the Notes then Outstanding shall have the right, at any time, 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 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 determines that the proceeding so directed would involve it in personal liability or the Trustee has not been indemnified as provided in **Section 801** hereof.

Section 708. Application of Moneys in Event of Default. Upon an Event of Default, all moneys held or received by the Trustee pursuant to this Indenture pursuant to any right given or action taken under this Article shall, after payment of the reasonable fees, costs, advances and expenses of the Trustee and the proceedings resulting in the collection of such moneys (including without limitation attorneys' fees and expenses), be deposited in the Debt Service Fund. All moneys in the Debt Service Fund and the Revenue Fund shall be applied as follows:

(a) If the principal of all the Notes has not become or has not been declared due and payable, all such moneys shall be applied:

(1) *First* -- To the payment to the Owners entitled thereto of all installments of interest then due and payable on the Notes, 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 Notes to the extent permitted by law, and, if the amount available is not 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.

(2) *Second* -- To the payment to the Owners entitled thereto of the unpaid principal of any of the Notes that have become due and payable (other than Notes called for redemption for the payment of which moneys or securities are held pursuant to this Indenture), in the order of their due dates, and, if the amount available is not sufficient to pay in full such principal due on any particular date, together with such interest, then to the payment ratably, according to the amounts of principal due on such date, to the persons entitled thereto without any discrimination or privilege.

(b) If the principal of all the Notes has become due or has been declared due and payable, all such moneys shall be applied to the payment of the principal and interest then due and unpaid on all of the Notes, without preference or priority of principal over interest or of interest over principal or of any installment of interest over any other installment of interest or of any Note over any other Note, ratably, according to the amounts due respectively for principal and interest, to the persons entitled thereto, without any discrimination or privilege;

(c) If the principal of all the Notes has been declared due and payable, and if such declaration thereafter is rescinded and annulled under the provisions of **Section 702** or **712** hereof, then, subject to the provisions of subsection (b) above of this Section in the event that the principal of all the Notes shall later become due or be declared due and

payable, the moneys shall be applied in accordance with the provisions of subsection (a) of this Section.

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.

Whenever (i) all of the Notes and interest thereon have, (ii) all fees, expenses and charges of the Trustee and (iii) any other amounts required to be paid under this Indenture have been paid, any balance remaining in the funds created pursuant to this Indenture shall be paid to the District for deposit in the Special Trust Fund.

Section 709. Remedies Cumulative. No remedy conferred by this Indenture upon or reserved to the Trustee or to the Owners 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 or to the Owners hereunder or now or hereafter existing at law or in equity or by statute.

Section 710. 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 711. Effect of Discontinuance of Proceedings. If the Trustee has proceeded to enforce any right under this Indenture by the appointment of a receiver, by entry, or otherwise, and such proceedings have been discontinued or abandoned for any reason, or have been determined adversely, then the District, the Trustee and the Owners 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 712. Waivers of Events of Default. The Trustee shall waive any Event of Default and its consequences and rescind any acceleration of maturity of principal upon the written request of the Owners of a majority in aggregate principal amount of the Notes then Outstanding, except a default

(a) in the payment of the principal of (or premium, if any) or interest on any Note (except upon compliance with the provisions of **Section 702**), or

(b) in respect of a covenant or provision hereof which under **Article X** cannot be modified or amended without the consent of the Owner of each Outstanding Note affected.

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 have been discontinued or abandoned or determined

adversely, then and in every such case the District, the Trustee and the Owners 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.

ARTICLE VIII

THE TRUSTEE

Section 801. Acceptance of Trusts. The Trustee hereby accepts the trusts imposed upon it by this Indenture, and agrees to perform said trusts as a corporate trustee ordinarily would perform said trusts under a corporate indenture, but only upon and subject to the following express terms and conditions, and no implied covenants or obligations shall be read into this Indenture against the Trustee:

(a) 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. If any Event of Default has occurred and is continuing, 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 under reasonably similar circumstances 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 hereunder or perform any duties hereunder either directly or through agents, attorneys, receivers, employees or such other professionals but shall not be answerable for the conduct of the same, provided the Trustee has exercised reasonable care in making such selection. The Trustee may act or refrain from acting and conclusively rely upon the opinion or advice of counsel, who may, without limitation, be counsel to the District or an employee of the Trustee, concerning all matters of trust hereof and the duties hereunder, and, subject to the restrictions of **Section 802** hereof, may in all cases pay such reasonable compensation to all such agents, attorneys, receivers, employees and other such professionals as may reasonably be employed in connection with the trusts hereof. The Trustee shall not be responsible for any loss or damage resulting from any action or nonaction by it taken or omitted to be taken in good faith and shall be fully protected in reliance upon such opinion or advice of counsel.

(c) The Trustee shall not be responsible for any recital herein or in the Notes (except with respect to the Certificate of Authentication of the Trustee endorsed on the Notes), or for the recording or re-recording, filing or refiling of this Indenture or any security agreements in connection therewith, or for insuring any of the improvements constructed in the District or collecting any insurance moneys, or for the validity of the execution by the District of this Indenture or of any or instruments of further assurance, or for the sufficiency of the security for the Notes. 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 V** hereof. The Trustee makes no representations as to the value or condition of the Trust Estate or any part thereof, or as to the validity or sufficiency of this Indenture or of the Notes. The Trustee shall not be accountable for the use or application by the District of any of the Notes or the proceeds thereof or of any money paid to or upon the order of the District under any provision of this Indenture.

(d) The Trustee shall not be accountable for the use of any Notes authenticated and delivered hereunder. The Trustee, in its individual or any other capacity, may become the owner or pledgee of Notes with the same rights which it would have if it were not Trustee.

(e) The Trustee may rely and shall be protected in acting or refraining from acting upon any 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 Note, shall be conclusive and binding upon all future Owners of the same Note and upon Notes 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 deems it desirable that a matter be proven or established prior to taking, suffering or omitting any action hereunder, the Trustee shall be entitled to rely upon a certificate signed by an Authorized District Representative as sufficient evidence of the facts therein contained. Prior to the occurrence of an Event of Default of which the Trustee has been notified as provided in subsection (h) of this Section or of which by said subsection it 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 of any Event of Default, other than a failure to make any payment on the Notes when due, unless the Trustee is specifically notified in writing of such Event of Default by the District or by the Owners of at least 25% in aggregate principal amount of all Notes then Outstanding.

(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 any and all of the Project, including all books, papers and

records of the District pertaining to the Notes, 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.

(k) The Trustee shall have the right, but shall not be required, to demand, in respect of the authentication of any Notes, the withdrawal of any funds, or any action whatsoever within the purview of this Indenture, appraisals or other information, or corporate 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 District to the authentication of any Notes, the withdrawal of any funds or the taking of any other action by the Trustee.

(l) Anything herein to the contrary notwithstanding, before taking any action under this Indenture, other than any action under **Article II** hereof concerning the payment of principal and interest on the Notes, declaring an Event of Default and accelerating the maturity of the Notes, the Trustee may, in its discretion, require that satisfactory indemnity be furnished to it by the Owners or other parties for the reimbursement of all reasonable fees, costs, liabilities, losses, claims and expenses to which it or its agents or counsel may be put and to protect it against all liability including environmental, except liability which is adjudicated to have resulted from its negligence or willful misconduct by reason of any action so taken.

(m) All moneys received by the Trustee or any Paying Agent shall, until used or applied or invested as herein provided, be held in trust in the manner and for the purposes for which they were received but need not be segregated from other funds except to the extent required by this Indenture or by law. Neither the Trustee nor any Paying Agent shall be under any liability for interest on any moneys received hereunder except as provided herein.

(n) The Trustee may elect not to proceed in accordance with the directions of the Owners of the Notes without incurring any liability to the Owners if in the opinion of the Trustee such direction may result in liability to the Trustee, in its individual capacity, for which the Trustee has not received indemnity from the Owners, and the Trustee may rely upon an Opinion of Counsel addressed to the Trustee in determining whether any action directed by Owners may result in such liability.

(o) Notwithstanding any other provision of this Indenture to the contrary, any provision intended to provide authority to act, right to payment of fees and expenses, and protection, immunity and indemnification to the Trustee shall be interpreted to include any action of the Trustee whether it is deemed to be in its capacity as Trustee, Registrar or Paying Agent.

(p) No provision of this Indenture shall be construed to relieve the Trustee from liability for its own negligent action, its own negligent failure to act, or its own

willful misconduct, except that:

(i) this subsection shall not be construed to affect the limitation of the Trustee's duties and obligations provided in this Section or the Trustee's right to rely on the truth of statements and the correctness of opinions as provided in this Section;

(ii) the Trustee shall not be liable for any error of judgment made in good faith by any one of its directors, officers or employees unless it is established that the Trustee was negligent in ascertaining the pertinent facts;

(iii) the Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Owners of not less than a majority in principal amount of the Notes then Outstanding relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, under this Indenture;

(iv) subject to subsection (l) above, no provision of this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur any liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers if it has reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it; and

(v) the Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents or attorneys and the Trustee shall not be responsible for any misconduct or negligence on the part of any agent or attorney appointed with due care by it hereunder.

Section 802. Fees, Charges and Expenses of the Trustee. The Trustee shall be entitled to payment of and/or reimbursement for reasonable fees (which compensation shall not be limited by any provision of law in regard to the compensation of a trustee of an express trust) by the District for its ordinary services rendered hereunder and all agent and counsel fees and expenses and other ordinary costs and expenses reasonably and necessarily made or incurred by the Trustee in connection with such ordinary services and, if it becomes necessary that the Trustee perform extraordinary services, it shall be entitled to reasonable extra compensation therefor and to reimbursement for reasonable and necessary extraordinary costs and 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, expenses and charges of the Trustee as Paying Agent and as Registrar for the Notes. Upon the occurrence of an Event of Default and during its continuance, the Trustee shall have a lien with right of payment prior to payment on account of principal of or interest on any Note, upon all moneys in its possession under any provisions hereof for the foregoing advances, fees, charges and expenses incurred. Notwithstanding the

foregoing, if moneys in the Revenue Fund are insufficient to make payment to the Trustee for its fees, charges and expenses, as provided in subparagraph *Fourth* of **Section 402(a)** on any Payment Date, the unpaid portion shall be carried forward to the next Payment Date, together with interest thereon at the Trustee's base lending rate plus 2%.

Section 803. Notice of Default. If an Event of Default occurs of which the Trustee is required to take notice or notice is given to the Trustee as provided in **Section 801(h)** hereof, then the Trustee shall give written notice thereof to the District and within 30 days (five Business Days if the maturity of the Notes has been accelerated pursuant to **Section 702** hereof) by first class mail to the Owners of all Notes then Outstanding as shown by the Register.

Section 804. Intervention by the Trustee. In any judicial proceeding to which the District is a party and which, in the opinion of the Trustee and its counsel, has a substantial bearing on the interests of Owners of the Notes, the Trustee may intervene on behalf of Owners and shall do so if requested in writing by the Owners of at least 25% in the aggregate principal amount of Notes then Outstanding, provided that the Trustee shall first have been provided indemnity provided under **Section 801(l)** hereof as it may require against the reasonable fees, charges, costs, expenses and liabilities which it may incur in or by reason of such proceeding, including without limitation attorneys' fees and expenses.

Section 805. 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, provided such corporation or association is otherwise eligible under **Section 808** hereof, 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 806. Resignation or Removal 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 District and the Owners. If at any time the Trustee ceases to be eligible in accordance with the provisions of this Indenture, it shall resign immediately in the manner provided in this Section. The Trustee may be removed for cause or without cause at any time by an instrument or concurrent instruments in writing delivered to the Trustee and the District and signed by the Owners of a majority in aggregate principal amount of Notes then Outstanding. If no Event of Default has occurred and is continuing, or no condition exists which will become an Event of Default as provided in **Section 701(a)** hereof, the Trustee may be removed at any time by an instrument or concurrent instruments in writing delivered to the Trustee and the Owners and signed by the District. The District or the Owners of a majority in aggregate principal amount of the Notes then Outstanding may at any time petition any court of competent jurisdiction for the removal for cause of the Trustee. No resignation or removal of the Trustee shall become effective until the appointment of a successor Trustee pursuant to **Section 807** hereof and the acceptance of such appointment by the successor Trustee under **Section 809** hereof.

Section 807. Appointment of Successor Trustee. If the Trustee hereunder resigns or is removed, or otherwise becomes incapable of acting hereunder, or if it is 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 the Owners of a majority in aggregate principal amount of Notes then Outstanding, by an instrument or concurrent instruments in writing; provided, nevertheless, that in case of such vacancy the District, by an instrument executed and signed by the Authorized District Representative, may appoint a temporary Trustee to fill such vacancy until a successor Trustee is appointed by the Owners in the manner above provided; and any such temporary Trustee so appointed by the District shall immediately and without further acts be superseded by the successor Trustee so appointed by such Owners. If a successor Trustee or a temporary Trustee has not been so appointed and accepted such appointment within 30 days of a notice of resignation or removal of the current Trustee, the retiring Trustee may petition a court of competent jurisdiction for the appointment of a successor Trustee to act until such time, if any, as a successor has so accepted its appointment. No resignation or removal of the Trustee shall become effective until a successor Trustee has accepted its appointment under **Section 809** hereof.

Section 808. Qualifications of Trustee and Successor Trustees. The Trustee and every successor Trustee appointed hereunder shall be a trust institution or commercial bank qualified to do business in the State, shall be in good standing and qualified to accept such trusts, shall be subject to examination by a federal or state bank regulatory authority, and shall have a reported capital and surplus of not less than \$25,000,000, or must provide a guaranty of the full and prompt performance by the Trustee of its obligations under this Indenture and any other agreements made in connection with the Notes, on terms satisfactory to the District, by a guarantor with such combined capital and surplus. If such institution publishes reports of conditions at least annually pursuant to law or regulation, then for the purposes of this Section the capital and surplus of such institution shall be deemed to be its capital and surplus as set forth in its most recent report of condition so published.

Section 809. Vesting of Trusts in Successor Trustee. Every successor Trustee appointed hereunder shall execute, acknowledge and deliver to its predecessor and also to the District an instrument in writing accepting such appointment hereunder, and thereupon such successor shall become fully vested with all the trusts, powers, rights, obligations, duties, remedies, immunities and privileges of its predecessor and the obligations of the predecessor Trustee hereunder shall cease and terminate; but such predecessor shall, nevertheless, on the written request of the District, 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 held by it as Trustee hereunder to its successor. Should any instrument in writing from the District 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 District.

Section 810. 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 any Financing Document, and in particular in case of the enforcement upon an Event of Default, or if 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.

(b) If 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 District 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 District.

(d) If any co-trustee or separate trustee dies, becomes incapable of acting, resigns or is 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 811. Annual Statement. Unless the Trustee is delivering statements more frequently to the District, the Trustee shall render an annual statement for each Fiscal Year to the District and, if so requested and the expense thereof is paid by such Owner, to any Owner requesting the same. The annual statement shall show in reasonable detail all financial transactions relating to the Trust Estate during the accounting period and shall include a break-down of money deposited into the Revenue Fund and the balance in any funds and accounts created by this Indenture as of the beginning and close of such accounting period.

Section 812. Paying Agents; Registrar; Appointment and Acceptance of Duties; Removal.

(a) The Trustee agrees to act as Paying Agent and as Registrar for and in respect of the Notes.

(b) The District may appoint one or more additional Paying Agents for the Notes. Each additional Paying Agent shall signify its acceptance of the duties and obligations imposed upon it by this Indenture by executing and delivering to the District and the Trustee a written acceptance thereof. The District may remove any Paying Agent other than the Trustee and any successors thereto, and appoint a successor or successors thereto; provided that any such Paying Agent designated by the District shall continue to be a Paying Agent of the District for the purpose of paying the principal of and interest on the Notes until the designation of a successor as such Paying Agent and acceptance by such successor of the appointment. Each Paying Agent is hereby authorized to pay or redeem Notes when such Notes are duly presented to it for payment or redemption, which Notes shall thereafter be delivered to the Trustee for cancellation.

(c) The Paying Agent may at any time resign and be discharged of the duties and obligations created by this Indenture by giving at least 60 days' notice to the District and the Trustee. The Paying Agent may be removed by the District at any time by an instrument signed by the District and filed with the Paying Agent and the Trustee. In the event of the resignation or removal of the Paying Agent, the Paying Agent shall pay over, assign and deliver any moneys held by it in such capacity to its successor or, if there be no successor, to the Trustee.

If the District fails to appoint a Paying Agent hereunder, or the Paying Agent resigns or is removed, or is dissolved, or if the property or affairs of the Paying Agent are taken under the control of any state or federal court or administrative body because of bankruptcy or insolvency, or for any other reason, and the District has not appointed its successor as Paying Agent, the Trustee shall ipso facto be deemed to be the Paying Agent for all purposes of this Indenture until the appointment by the District of the Paying Agent or successor Paying Agent, as the case may be. The Trustee shall give each Owner notice by first-class mail of the appointment of a Paying Agent or successor Paying Agent other than the Trustee.

ARTICLE IX

SATISFACTION AND DISCHARGE OF THE INDENTURE

Section 901. Satisfaction and Discharge of the Indenture.

(a) When the principal of and interest on all the Notes have been paid in accordance with their terms or provision has been made for such payment, as provided in **Section 902** hereof, and provision also is made for paying all other sums payable hereunder, including the fees and expenses of the Trustee and the Paying Agent to the date of payment of the Notes, then the right, title and interest of the Trustee under this Indenture shall thereupon cease, determine and be void, and thereupon the Trustee shall cancel, discharge and release this Indenture and shall execute, acknowledge and deliver to the District such instruments of satisfaction and discharge or release as shall be required to evidence such release and the satisfaction and discharge of this Indenture, and shall assign and deliver to the District any property at the time subject to this Indenture which may then be in the Trustee's possession, except amounts in the Debt Service Fund required to be paid to the District under **Article IV** hereof and except funds

or securities in which such moneys are invested and held by the Trustee for the payment of the principal of and interest on the Notes.

(b) The District is hereby authorized to accept a certificate of the Trustee stating that the whole amount of the principal and interest so due and payable upon all of the Notes then Outstanding has been paid or provision for such payment has been made in accordance with **Section 902** hereof as evidence of satisfaction of this Indenture, and upon receipt thereof the District shall cancel and erase the inscription of this Indenture from its records.

Section 902. Notes Deemed to Be Paid.

(a) Notes shall be deemed to be paid within the meaning of this Article when payment of the principal on such Notes, plus premium, if any, plus interest thereon to the due date thereof (whether such due date is by reason of maturity or upon redemption as provided in this Indenture, or otherwise), either (1) has been made or caused to be made in accordance with the terms hereof, or (2) provision therefor has been made by depositing with the Trustee, in trust and irrevocably setting aside exclusively for such payment, (i) moneys sufficient to make such payment or (ii) non-callable Government Securities maturing as to principal and interest in such amount and at such times as will ensure the availability of sufficient moneys to make such payment and the Trustee shall have received an Opinion of Counsel (which opinion may be based upon a ruling or rulings of the Internal Revenue Service) to the effect that such deposit will not cause the interest on such Notes to be included in gross income for purposes of federal income taxation and that all conditions precedent to the satisfaction of this Indenture have been met. At such time as a Note is deemed to be paid hereunder as aforesaid, such Note shall no longer be secured by or be entitled to the benefits of this Indenture, except for the purposes of any such payment from such moneys or Government Securities.

(b) Notwithstanding the foregoing, in the case of Notes which by their terms may be redeemed prior to the stated maturities thereof, no deposit under clause (2) of subsection (a) above shall be deemed a payment of such Notes as aforesaid until, as to all such Notes which are to be redeemed prior to their respective stated maturities, proper notice of such redemption has been given in accordance with **Article III** hereof or irrevocable instructions have been given to the Trustee to give such notice.

(c) Except for **Section 407** hereof, notwithstanding any provision of any other Section of this Indenture which may be contrary to the provisions of this Section, all moneys or Government Securities set aside and held in trust pursuant to the provisions of this Section for the payment of Notes and interest thereon shall, until payment for such Notes has been made to the Owner thereof, be applied to and be used solely for the payment of the particular Notes and interest thereon with respect to which such moneys and Government Securities have been so set aside in trust.

(d) If the interest earnings on money or Government Obligations are necessary to provide for the payment of the Notes under this Section, the Trustee shall receive a verification report of a firm of independent certified public accountants that the moneys and Government

Securities deposited with the Trustee are sufficient to pay when due the principal or redemption price, if any, and interest on the Notes on or prior to the applicable redemption or maturity date.

ARTICLE X

SUPPLEMENTAL INDENTURES

Section 1001. Supplemental Indentures Not Requiring Consent of Owners. The District and the Trustee may from time to time, without the consent of or notice to any of the Owners, enter into such Supplemental Indenture or Supplemental Indentures as are not inconsistent with the terms and provisions hereof, for any one or more of the following proposes:

(a) to cure any ambiguity or formal defect or omission in this Indenture or to release property from the Trust Estate which was included by reason of an error or other mistake;

(b) to grant to or confer upon the Trustee for the benefit of the Owners any additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon the Owners 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 hereto 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 Notes for sale under the securities laws of any state of the United States;

(e) to provide for the refunding of any Notes in accordance with the terms hereof;

(f) to evidence the appointment of a separate trustee or the succession of a new trustee hereunder; or

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

Section 1002. Supplemental Indentures Requiring Consent of Owners. In addition to Supplemental Indentures permitted by **Section 1001** hereof and subject to the terms and provisions contained in this Section, and not otherwise, with the written consent of the Owners of not less than a majority in aggregate principal amount of the Notes then Outstanding, the District and the Trustee may from time to time enter into such other Supplemental Indenture or Supplemental Indentures as shall be deemed necessary and desirable by the District 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:

- (a) an extension of the maturity of the principal of or the scheduled date of payment of interest on any Note;
- (b) a reduction in the principal amount, redemption premium or any interest payable on any Note;
- (c) a privilege or priority of any Note or Notes over any other Note or Notes;
- (d) a reduction in the aggregate principal amount of Notes the Owners of which are required for consent to any such Supplemental Indenture; or
- (e) the modification of the rights, duties or immunities of the Trustee, without the written consent of the Trustee.

If at any time the District requests the Trustee to enter into any such Supplemental Indenture for any of the purposes of this Section, the Trustee shall cause notice of the proposed execution of such Supplemental Indenture to be mailed by first-class mail to each Owner. Such notice shall briefly set forth the nature of the proposed Supplemental Indenture and shall state that copies thereof are on file at the principal corporate trust office of the Trustee or such other office as the Trustee shall designate for inspection by all Owners. If within 60 days or such longer period as shall be prescribed by the District following the mailing of such notice, the Owners of not less than a majority in aggregate principal amount of the Notes Outstanding at the time of the execution of any such Supplemental Indenture have consented to and approved the execution thereof as herein provided, no Owner of any Note 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 District 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. Developer's Consent to Supplemental Indenture. Anything herein to the contrary notwithstanding, a Supplemental Indenture under this Article which affects any rights or obligations of the Developer shall not become effective unless and until the Developer has consented in writing to the execution and delivery of such Supplemental Indenture. In this regard, the Trustee shall cause notice of the proposed execution and delivery of any such Supplemental Indenture together with a proposed date of execution and delivery of any such Supplemental Indenture.

ARTICLE XI

MISCELLANEOUS PROVISIONS

Section 1101. Consents and Other Instruments by Owners. Any consent, request, direction, approval, objection or other instrument required by this Indenture to be signed and executed by the Owners may be in any number of concurrent writings of similar tenor and may be signed or executed by such Owners 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 Notes, if made in the following manner, shall be sufficient for any of the purposes of this Indenture, and shall be conclusive in favor of the Trustee with regard to any action taken, suffered or omitted under any such instrument, namely:

(a) The fact and date of the execution by any person of any such instrument (other than the assignment of a Note) 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.

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

Section 1102. Notices. Except as otherwise provided herein, it shall be sufficient service of any notice, request, complaint, demand or other paper required by this Indenture to be given to or filed with the District or the Trustee if the same is duly mailed by registered or certified mail, postage pre-paid, return receipt requested, or sent by telegram, telecopy or telex or other similar communication, or when given by telephone, confirmed by telephone, on the same day, addressed as follows, provided that notices to the Trustee shall be effective only upon receipt:

(1) To the District at:

Loughborough Commons Community Improvement District
c/o Loughborough Commons, L.L.C.
25 North Brentwood Boulevard
St. Louis, Missouri 63105
Attn: Michael B. Sullivan
Telephone: (314) 994-4444
Facsimile: (314) 994-4073

with a copy to:

Greensfelder, Hemker & Gale, P.C.
10 S. Broadway, Suite 2000
St. Louis, Missouri 63102
Attention: Vincent J. Garozzo, Esq.
Telephone: (314) 516-2624
Facsimile: (314) 241-3237

(2) To the Trustee at:

UMB Bank, N.A.
2 South Broadway, Suite 435
St. Louis, Missouri 63102
Attention: Corporate Trust Department

(3) To the Developer at:

Loughborough Commons, L.L.C.
25 North Brentwood Boulevard
St. Louis, Missouri 63105
Attn: Michael B. Sullivan
Telephone: (314) 994-4444
Facsimile: (314) 994-4073

(4) To the Owners at:

By first-class mail addressed to each of the Owners of all Notes at the time Outstanding, as shown by the Register. Any notice so mailed to the Owners of the Notes shall be deemed given at the time of mailing whether or not actually received by the Owners.

In the event of any notice to a party other than the District, a copy of said notice shall be provided to the District. The above parties may from time to time designate, by notice given hereunder to the other parties, such other address to which subsequent notices, certificates or other communications shall be sent.

Section 1103. Limitation of Rights Under the Indenture. With the exception of rights herein expressly conferred and as otherwise provided in this Section, nothing expressed or mentioned in or to be implied by this Indenture or the Notes is intended or shall be construed to give any person other than the parties hereto, and the Owners of the Notes, 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 and the Owners of the Notes as herein provided.

Section 1104. 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 1105. Business Days. If any date for the payment of principal of or interest on the Notes 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; provided,

however, any interest that accrues on any unmatured or unredeemed Notes from the due date shall be payable on the next succeeding Payment Date.

Section 1106. Immunity of Officers, Employees and Members of District. No recourse shall be had for the payment of the principal of or interest on any of the Notes or for any claim based thereon or upon any obligation, covenant or agreement in this Indenture contained against any past, present or future officer, director, member, employee or agent of the District, the governing body of the District, or of any successor public corporation, as such, either directly or through the District or any successor public corporation, 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, directors, members, 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 Notes.

Section 1107. No Sale. The District covenants and agrees that, except as provided herein, it will not sell, convey, assign, pledge, encumber or otherwise dispose of any part of the moneys subject to this Indenture.

Section 1108. Severability. If any provision of this Indenture is 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 in this Indenture contained shall not affect the remaining portions of this Indenture, or any part thereof.

Section 1109. Execution in Counterparts; Electronic Transmission. 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. The Trustee, the Developer and the District agree that the transaction described herein may be conducted and related documents may be received or stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

Section 1110. Governing Law. This Indenture shall be governed exclusively by and construed in accordance with the applicable laws of the State.

[Remainder of Page Intentionally Left Blank; Signature Page Follows]


IN WITNESS WHEREOF, Loughborough Commons Community Improvement District has caused these presents to be signed in its name and behalf and its corporate seal to be hereunto affixed and attested by its duly authorized officers, and to evidence its acceptance of the trusts hereby created, UMB Bank, N.A., has caused these presents to be signed in its name and behalf by its duly authorized officer, all as of the day and year first above written.

**LOUGHBOROUGH COMMONS
COMMUNITY IMPROVEMENT
DISTRICT**

[SEAL]

By: Michael B. Sullivan
Michael B. Sullivan,
Chairman of the Board of Directors

ATTEST:


Secretary

UMB BANK, N.A., as Trustee

[SEAL]

By: Victor Zarrilli
Name: Victor Zarrilli
Title: Vice President

ATTEST:

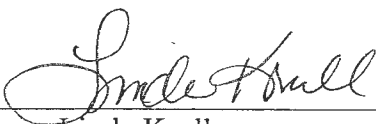

Name: Linda Krull
Title: Assistant Secretary

EXHIBIT A

(Form of Note)

THIS NOTE OR ANY PORTION HEREOF MAY BE TRANSFERRED, ASSIGNED OR NEGOTIATED ONLY AS PROVIDED IN THE HEREIN DESCRIBED INDENTURE.

**UNITED STATES OF AMERICA
STATE OF MISSOURI**

Registered
No. R- _____

Registered
Up to \$5,000,000 (exclusive of
Costs of Issuance and accrued interest)
(See **Schedule A** attached)

**LOUGHBOROUGH COMMONS COMMUNITY IMPROVEMENT DISTRICT
TAXABLE/TAX-EXEMPT COMMUNITY IMPROVEMENT REVENUE NOTE SERIES
2007**

Rate of Interest:	Maturity Date:	Dated Date:	CUSIP No.
As described below	_____, 20__	_____, 2007	

REGISTERED OWNER: _____

PRINCIPAL AMOUNT: See **SCHEDULE A** attached hereto.

LOUGHBOROUGH COMMONS COMMUNITY IMPROVEMENT DISTRICT, a community improvement district and an incorporated political subdivision duly organized and validly existing under the Constitution and laws of the State of Missouri (the "District"), for value received, hereby promises to pay to the Registered Owner shown above, or registered assigns, the outstanding Principal Amount shown from time to time on Schedule A attached hereto and on the Maturity Date shown above. This Note shall bear interest at a variable rate per annum equal to the Prime Rate determined as of the Dated Date and on each Interest Payment Date (as defined below) thereafter. Interest shall be payable semiannually on January 1 and July 1 in each year (each, an "Interest Payment Date"), beginning on the first Interest Payment Date following the initial transfer of moneys from the Special Trust Fund to the Revenue Fund.

Interest which remains unpaid on any Interest Payment Date shall be compounded semiannually. Interest shall be calculated on the basis of a 360-day year of twelve 30-day months.

Except as otherwise provided herein, the capitalized terms herein shall have the meanings as provided in the Indenture (as hereinafter defined).

The principal of this Note shall be paid at maturity or upon earlier redemption upon presentation and surrender of this Note at the principal payment office or such other designated office of the Trustee (as hereinafter defined) to the person in whose name this Note is registered on the Register at the maturity or redemption date thereof. The interest payable on this Note on any Interest Payment Date shall be paid by UMB Bank, N.A., St. Louis, Missouri (the "Trustee") to the person in whose name this Note is registered on the Register at the close of business on the fifteenth day (whether or not a Business Day) of the calendar month next preceding such Payment Date. Such interest shall be payable (a) by check or draft mailed by the Trustee to the address of such registered Owner shown on the Register or (b) in the case of a principal or interest payment to any registered owner of either (i) all of the Notes Outstanding, or (ii) \$50,000 or more in aggregate principal amount of Notes, by electronic transfer to such registered Owner upon written notice given to the Trustee not less than 5 days prior to the Record Date for such interest and signed by such registered Owner, containing the electronic transfer instructions including the name of the bank (which shall be in the continental United States), ABA routing number and account name and account number to which such Registered Owner wishes to have such transfer directed. The principal or redemption price of and interest on the Notes shall be payable by check or draft in any coin or currency that, on the respective dates of payment thereof, is legal tender for the payment of public and private debts.

This Note is one of an authorized series of fully registered notes of the District designated "Loughborough Commons Community Improvement District, Community Improvement Revenue Notes, Series 2007," in the aggregate principal amount not to exceed \$5,000,000 exclusive of Costs of Issuance and accrued interest (the "Notes").

The Notes are being issued pursuant to a Trust Indenture dated as of _____, 2007, between the District and the Trustee (the "Indenture"), for the purpose of providing funds to (a) pay a portion of certain Project Costs and (b) pay costs of issuance of the Notes, all under the authority of and in full compliance with the Constitution and laws of the State of Missouri, including particularly the Community Improvement District Act, Sections 67.1401 through 67.1571, inclusive, of the Revised Statutes of Missouri, as amended (the "CID Act").

The Notes constitute special, limited obligations of the District payable as to principal, premium, if any, and interest solely from the Pledged Revenues and other moneys pledged thereto and held by the Trustee pursuant to the Indenture. The Notes shall not constitute debts or liabilities of the District, the City, the State of Missouri or any political subdivision thereof within the meaning of any constitutional or statutory debt limitation or restriction.

The Notes are subject to redemption as follows:

(a) *Optional Redemption.* The Notes are subject to optional redemption by the District in whole or in part at any time, at a redemption price equal to 100% of the principal amount of the Notes to be redeemed, plus accrued interest to the redemption date.

(b) *Special Mandatory Redemption.*

(1) The Notes are subject to special mandatory redemption by the District on any Payment Date, at the redemption price of 100% of the principal amount being redeemed, together with accrued interest thereon to the date fixed for redemption, in an amount equal to the amount which is on deposit in the Redemption Account of the Debt Service Fund 40 days (10 days if all of the Notes are owned by the Developer and, in each case if such date is not a Business Day, the immediately preceding Business Day) prior to each Payment Date (or if such date is not a Business Day, the immediately preceding Business Day).

(2) The Notes are subject to special mandatory redemption by the District, in whole but not in part, on any date in the event that moneys in the Special Trust Fund, the Revenue Fund or the Debt Service Fund are sufficient to redeem all of the Notes at a redemption price of 100% of the Notes Outstanding, together with accrued interest thereon to the date fixed for redemption.

Notes shall be redeemed only in Authorized Denominations. When less than all of the Outstanding Notes are to be redeemed and paid prior to maturity, such Notes shall be selected by the Trustee in Authorized Denominations in such equitable manner as the Trustee may determine.

Unless waived by any Owner of Notes to be redeemed, official notice of any redemption of any Note shall be given by the Trustee on behalf of the District by mailing a copy of an official redemption notice by first class mail, postage prepaid, at least 30 days (5 days if all of the Notes are owned by the Developer) prior to the date fixed for redemption to the Owner of the Note or Notes to be redeemed at the address shown on the Register; provided, however, that failure to give such notice by mailing as aforesaid to any Owner or any defect therein as to any particular Note shall not affect the validity of any proceedings for the redemption of any Notes. Notice of redemption having been given as aforesaid, the Notes or portions of Notes so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the District defaults in the payment of the redemption price) such Notes or portions of Notes shall cease to bear interest, shall no longer be secured by the Indenture and shall not be deemed to be Outstanding under the provisions of the Indenture. Any defect in any notice or the failure of any parties to receive any notice of redemption shall not cause any Note called for redemption to remain Outstanding.

The District, the elected officials, officers and employees of the District and any person executing the Notes shall not be personally liable for such obligations by reason of the issuance thereof.

The Notes are issuable in the form of fully registered Notes without coupons in the denomination of \$5,000 or any multiple of \$1.00 in excess thereof.

This Note may be transferred or exchanged, as provided in the Indenture, only upon the books for the registration, transfer and exchange thereof (the "Register") kept by the Trustee, upon surrender of this Note together with a written instrument of transfer satisfactory to the Trustee duly executed by the registered Owner or the registered Owner's duly authorized agent. THE OWNER HEREOF EXPRESSLY AGREES, BY SUCH OWNER'S ACCEPTANCE HEREOF, THAT THE RIGHT TO TRANSFER, ASSIGN OR NEGOTIATE THIS NOTE SHALL BE LIMITED TO TRANSFER, ASSIGNMENT OR NEGOTIATION TO APPROVED INVESTORS, AS THAT TERM IS DEFINED IN THE INDENTURE. Accordingly, this Note will be transferable only upon prior delivery to the Trustee of a letter in substantially the form attached to the Indenture as **Exhibit C**, signed by the transferee, showing that such transferee is an Approved Investor. After the Trustee receives the foregoing statement, a new Note of the same maturity and in the same principal amount outstanding as the Note which was presented for transfer or exchange shall be issued to the transferee in exchange therefor as provided in the Indenture, and upon payment of the charges therein prescribed. The District and the Trustee may deem and treat the person in whose name this Note is registered on the Register as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or redemption price hereof and interest due hereon and for all other purposes.

This Note shall not be valid or binding on the District or be entitled to any security or benefit under the Indenture until the Certificate of Authentication hereon has been executed by the Trustee.

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

ORAL AGREEMENTS OR COMMITMENTS TO LOAN MONEY, EXTEND CREDIT, OR TO FOREBEAR FROM ENFORCING REPAYMENT OF A DEBT INCLUDING PROMISES TO EXTEND OR RENEW SUCH DEBT ARE NOT ENFORCEABLE. TO PROTECT YOU (BORROWER) AND US (LENDER) FROM MISUNDERSTANDING OR DISAPPOINTMENT, ANY AGREEMENTS WE REACH COVERING SUCH MATTERS ARE CONTAINED IN THIS WRITING, WHICH IS THE COMPLETE AND EXCLUSIVE STATEMENT OF THE AGREEMENT BETWEEN US, EXCEPT AS WE MAY LATER AGREE IN WRITING TO MODIFY IT.

[REMAINDER OF PAGE BLANK; SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, LOUGHBOROUGH COMMONS COMMUNITY IMPROVEMENT DISTRICT has executed this Note by causing it to be signed by the manual or facsimile signature of its Chairman and attested by the manual or facsimile signature of its Secretary, and its official seal to be affixed or imprinted hereon, and this Note to be dated as of the Dated Date shown above.

Registration Date: _____

**LOUGHBOROUGH COMMONS
COMMUNITY IMPROVEMENT
DISTRICT**

By: _____
Michael B. Sullivan,
Chairman of the Board of Directors

UMB BANK, N.A.,
as Trustee

(SEAL)

ATTEST:

By: _____
Authorized Signatory

By: _____
Secretary

ASSIGNMENT

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

(Print or Type Name, Address and Social
Security Number or other Taxpayer Identification Number of Transferee)

the within Note and all rights thereunder, and hereby irrevocably constitutes and appoints _____ agent to transfer the within Note on the books kept by the Trustee for the registration thereof, with full power of substitution in the premises.

Dated: _____.

NOTICE: The signature to this assignment must correspond with the name of the Registered Owner as it appears on the face of the within Note in every particular.

Signature Guaranteed By:

(Name of Eligible Guarantor Institution)

By _____
Title:

NOTICE: Signatures must be guaranteed by an eligible guarantor institution as defined by SEC Rule 17Ad-15 (17 CFR 240.17Ad-15).

SCHEDULE A

CERTIFICATE OF AUTHENTICATION

This Note is one of the Loughborough Commons Community Improvement District,
[Taxable/Tax-Exempt] Community Improvement Revenue Note, Series 2007, described in the
within-mentioned Indenture:

<u>Date</u> ¹	<u>Additions to Principal Amount</u> ²	<u>Principal Amount Paid</u>	<u>Outstanding Principal Amount</u>	<u>Authorized Signatory of Trustee</u>
, 20	\$			
, 20				
, 20				
, 20				
, 20				
, 20				
, 20				
, 20				
, 20				
, 20				
, 20				
, 20				

¹ Date of Advance (constitutes Date of Registration with respect to such portion of the Note) or Payment Date.

² Limited to advances of \$5,000 or any \$1.00 increment in excess thereof, except with respect to an advance pursuant to the final Request for Payment, which may be for \$1,000 or any \$1.00 increment in excess thereof.

EXHIBIT B

Request No. _____

Date: _____

WRITTEN REQUEST – [PROJECT FUND] [SURPLUS FUND]
LOUGHBOROUGH COMMONS COMMUNITY IMPROVEMENT DISTRICT,
TAXABLE/TAX-EXEMPT COMMUNITY IMPROVEMENT REVENUE NOTE, SERIES
2007

To: UMB Bank, N.A., as Trustee
2 South Broadway, Suite 435
St. Louis, Missouri 63102
Attention: Corporate Trust Department

as Trustee under the Trust Indenture dated as of _____, 2007, from
Loughborough Commons Community Improvement District to said Trustee (the
“Indenture”)

*Terms not otherwise defined herein shall have the meaning ascribed to such terms in the
Indenture. In connection with said Indenture, the undersigned hereby states and certifies that:*

1. Each item listed on Attachment I hereto is (a) eligible for reimbursement under the CID Act, and (b) a Project Cost under the Indenture.
2. Each item listed on Attachment I was incurred in connection with the construction of the Project and has been paid by the Developer.
3. Each item listed on Attachment I has not previously been paid or reimbursed from money derived from CID Revenues and no part thereof has been included in any other written request previously filed with the Trustee.
4. There has not been filed with or served upon the Developer or the District any notice of any lien, right of lien or attachment upon or claim affecting the right of any person, firm or corporation to receive payment of the amounts stated in this request, except to the extent any such lien is being contested in good faith.
5. All necessary permits and approvals required for the portion of the Project for which this certificate relates have been issued and are in full force and effect.
6. All work for which payment or reimbursement is requested has been performed in a good and workmanlike manner and in accordance with the Indenture.
7. The District is not in default or breach of any term or condition of the Indenture.

Dated this _____ day of _____.

**LOUGHBOROUGH COMMONS
COMMUNITY IMPROVEMENT
DISTRICT**

By: _____
Authorized District Representative

**ATTACHMENT I
TO WRITTEN REQUEST - PROJECT FUND
LOUGHBOROUGH COMMONS COMMUNITY IMPROVEMENT DISTRICT,
TAX-EXEMPT COMMUNITY IMPROVEMENT REVENUE NOTE, SERIES 2007**

REQUEST NO. _____

DATED _____, _____

SCHEDULE OF PAYMENTS REQUESTED

Person, firm or corporation to whom payment is due	Amount to be paid	General classification and description of the Project Cost for which the obligation to be paid was incurred
---	----------------------	--

EXHIBIT C

PURCHASER'S LETTER OF REPRESENTATIONS

Loughborough Commons Community Improvement District
c/o Loughborough Commons, L.L.C.
25 North Brentwood Boulevard
St. Louis, Missouri 63105
Attn: Michael B. Sullivan
Facsimile: (314) 994-4073

UMB Bank, N.A.
2 South Broadway, Suite 435
St. Louis, Missouri 63102
Attention: Corporate Trust Department
Facsimile: (314) 612-8499

Re: Loughborough Commons Community Improvement District, Tax-Exempt
Community Improvement Revenue Note, Series 2007

Ladies and Gentlemen:

This letter is to provide you with certain representations and agreements with respect to the purchase by the undersigned of not to exceed \$5,000,000 (exclusive of Costs of Issuance and accrued interest) of Loughborough Commons Community Improvement District, Tax-Exempt Community Improvement Revenue Notes, Series 2007, issued by Loughborough Commons Community Improvement District (the "District"). The Notes are secured in the manner set forth in the Trust Indenture dated as of _____, 2006 (the "Indenture"), between the District and UMB Bank, N.A., as Trustee. The undersigned hereby represents to each of you and agrees with each of you, as follows:

1. The undersigned has sufficient knowledge and experience in financial and business matters, including the purchase and ownership of limited revenue obligations and other municipal obligations, to be able to evaluate the risks and merits of the investment represented by the purchase by the undersigned of the Notes. The undersigned is able to bear the economic risk represented by the purchase by the undersigned of the Notes. The undersigned understands that the Notes are repayable solely from Pledged Revenues (as defined in the Indenture), subject to annual appropriation by the Board of Directors of the District.

2. The undersigned has made its own inquiry and analysis with respect to or affecting the likelihood of the payment of the Notes. The undersigned acknowledges that the District and Loughborough Commons, L.L.C. (the "Developer") have offered to give

access, without restriction or limitation, to all information to which a reasonable investor would attach significance in making investment decisions, and the undersigned has had the opportunity to ask questions of and receive answers from knowledgeable individuals concerning the Notes, this financing transaction, the District and the Developer.

3. As a sophisticated investor, the undersigned has made its own decision to purchase the Notes based solely upon its own inquiry and analysis.

4. The undersigned understands that the Notes do not constitute an indebtedness of the District or a loan or credit thereof within the meaning of any constitutional or statutory debt limitation or restriction.

5. The undersigned is familiar with and has counsel who are familiar with the federal and state legislation, rules, regulations and case law pertaining to the transfer and distribution of securities, including, but not limited to, disclosure obligations of the seller incident to any such transfer or distribution. The undersigned hereby covenants and agrees that the undersigned will not sell, offer for sale, pledge, transfer, convey, hypothecate, mortgage or dispose of the Notes or any interest therein in violation of applicable federal or state law or in violation of restrictions on sale, assignment, negotiation or transfer of the Notes as set forth in paragraph 7 below.

6. The undersigned is purchasing the Notes for its own account for investment (and not on behalf of another) and has no present intention of reselling the Notes or dividing its interest therein; but the undersigned reserves the right to sell, offer for sale, pledge, transfer, convey, hypothecate, mortgage or dispose of the Notes at some future date determined by it, provided that such disposition is not in violation of restrictions on sale, assignment, negotiation or transfer of the Notes as set forth in paragraph 7 below.

7. The undersigned acknowledges that the right to sell, assign, negotiate or otherwise transfer the Notes shall be limited to the sale, assignment, negotiation or transfer to (a) the Developer, (b) an “accredited investor” under Rule 501(a) of Regulation D promulgated under the Securities Act of 1933, (c) a “qualified institutional buyer” under Rule 144A promulgated under the Securities Act of 1933, or (d) any general business corporation or enterprise with total assets in excess of \$50,000,000 (an “Approved Investor”).

8. The undersigned agrees to indemnify and hold you harmless from any and all claims, judgments, attorneys’ fees and expenses of whatsoever nature, whether relating to litigation or otherwise, resulting from any attempted or effected sale, offer for sale, pledge, transfer, conveyance, hypothecation, mortgage or disposition of the Notes in violation of this letter.

9. The undersigned has satisfied itself that the Notes may be legally purchased by the undersigned.

10. The undersigned represents to each of you that the undersigned is an Approved Investor.

Sincerely,

_____,
as Purchaser

By: _____
Title: _____

Information Return for Tax-Exempt Governmental Obligations

▶ Under Internal Revenue Code section 149(e)

▶ See separate Instructions.

Caution: If the issue price is under \$100,000, use Form 8038-GC.

Part I Reporting Authority		If Amended Return, check here <input type="checkbox"/>	
1 Issuer's name Loughborough Commons Community Improvement District	2 Issuer's employer identification number 20 8777334		
3 Number and street (or P.O. box if mail is not delivered to street address) c/o The DESCO Group, 25 North Brentwood Boulevard	Room/suite	4 Report number 3 2007-2	
5 City, town, or post office, state, and ZIP code St. Louis, Missouri 63105		6 Date of issue November 27, 2007	
7 Name of issue Subordinate Community Improvement Note, Series 2007		8 CUSIP number N/A	
9 Name and title of officer or legal representative whom the IRS may call for more information Lori Bockman, Bond Counsel	10 Telephone number of officer or legal representative (314) 621-5070		

Part II Type of Issue (check applicable box(es) and enter the issue price) See instructions and attach schedule	
11 <input type="checkbox"/> Education	11
12 <input type="checkbox"/> Health and hospital	12
13 <input type="checkbox"/> Transportation	13
14 <input type="checkbox"/> Public safety	14
15 <input type="checkbox"/> Environment (including sewage bonds)	15
16 <input type="checkbox"/> Housing	16
17 <input type="checkbox"/> Utilities	17
18 <input checked="" type="checkbox"/> Other. Describe ▶ Community Improvement District Financing	18 \$135,000
19 If obligations are TANs or RANs, check box <input type="checkbox"/> If obligations are BANs, check box <input type="checkbox"/>	
20 If obligations are in the form of a lease or installment sale, check box <input type="checkbox"/>	

Part III Description of Obligations. Complete for the entire issue for which this form is being filed.					
	(a) Final maturity date	(b) Issue price	(c) Stated redemption price at maturity	(d) Weighted average maturity	(e) Yield
21	November 1, 2027	\$ 135,000	\$ 135,000	20 years	VR %

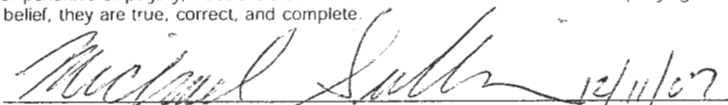
Part IV Uses of Proceeds of Bond Issue (including underwriters' discount)	
22 Proceeds used for accrued interest	22 0
23 Issue price of entire issue (enter amount from line 21, column (b))	23 135,000
24 Proceeds used for bond issuance costs (including underwriters' discount)	24
25 Proceeds used for credit enhancement	25
26 Proceeds allocated to reasonably required reserve or replacement fund	26
27 Proceeds used to currently refund prior issues	27
28 Proceeds used to advance refund prior issues	28
29 Total (add lines 24 through 28)	29 0
30 Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here)	30 135,000

Part V Description of Refunded Bonds (Complete this part only for refunding bonds.)	
31 Enter the remaining weighted average maturity of the bonds to be currently refunded ▶	_____ years
32 Enter the remaining weighted average maturity of the bonds to be advance refunded ▶	_____ years
33 Enter the last date on which the refunded bonds will be called ▶	_____
34 Enter the date(s) the refunded bonds were issued ▶	_____

Part VI Miscellaneous	
35 Enter the amount of the state volume cap allocated to the issue under section 141(b)(5)	35
36a Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (see instructions)	36a
b Enter the final maturity date of the guaranteed investment contract ▶	_____
37 Pooled financings: a Proceeds of this issue that are to be used to make loans to other governmental units	37a
b If this issue is a loan made from the proceeds of another tax-exempt issue, check box <input type="checkbox"/> and enter the name of the issuer ▶ _____ and the date of the issue ▶ _____	
38 If the issuer has designated the issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check box <input type="checkbox"/>	
39 If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box <input type="checkbox"/>	
40 If the issuer has identified a hedge, check box <input type="checkbox"/>	

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete.

Sign Here


 Signature of issuer's authorized representative Date

Michael Sullivan, Chairman

Type or print name and title



January 9, 2008

R. BRIAN MCMASTER
DIRECT DIAL: (314) 335-6838
rbm@greensfelder.com

Ms. Pat McDougell
c/o The DESCO Group, Inc.
25 North Brentwood Boulevard
St. Louis, MO 63105

Re: CID Sales Tax Deposit

Dear Pat:

Enclosed herewith please find copies of transfer receipts from the Missouri Department of Revenue. If you have any questions, please do not hesitate to call.

Very truly yours,

GREENSFELDER, HEMKER & GALE, P.C.

By 
R. Brian McMaster

RBM/
Enclosures
#1022182

cc: Mike Sullivan, The DESCO Group

FILE COPY

00045

1-002

**LOUGHBOROUGH COMMONS CID
TRACY R RING ATTN
10 S BROADWAY STE 2000
ST LOUIS MO 63102**

Missouri Department of Revenue

12/04/07

We have instructed the Central Bank, Jefferson City, to distribute your local sales tax monies in the amount of \$41,993.27 by electronic funds transfer (ACH) to UMB BANK LOUGHBOROUGH COMMONS CID/AC-9871592197 for your credit and use on 12/07/07. If you do not receive your distribution or if you have questions concerning the amount of your distribution, please contact the Missouri Department of Revenue at (573) 751-4876.

10100039M
101 - COMM IMP DIST

**Local Sales Tax
Account History**

LOUGHBOROUGH COMMONS CID/AC-9871592197

	2005	DSP	2006	DSP	Variance 05 to 06	2007	DSP	Variance 06 to 07
November	0.00		0.00		0.00	41,993.27	A	41,993.27
Year to Date	0.00		0.00		0.00	82,753.75		82,753.75

**DEPARTMENT OF REVENUE
LOCAL TAXES FINANCIAL STATEMENTS**

**Balance Sheet
October 31, 2007**

Description	Sales and Use Tax	Fuel Tax and Bonds	County/Other Miscellaneous	Cigarette Tax	Financial Institution Tax	Riverboat Gaming Tax and Fee	Total
Assets							
Cash	\$ (2,479,726)	3,414	(7,390)	31,405	(11,066)	3,454	(2,459,909)
Investments:							
Investaccount	542,960	21,778	23,395	17,395	526,944	17,951	1,150,423
Overnight Repurchase Agreements	126,080,591	14,358,317	9,969,123	589,320	30,251,777	4,445,367	185,694,495
Term Securities	47,212,732	5,376,683	3,733,085	220,680	11,328,223	1,664,633	69,536,036
Total Assets	\$ 171,356,557	19,760,192	13,718,213	858,800	42,095,878	6,131,405	253,921,045
Liabilities							
Funds Held in Trust	\$ 171,356,557	19,760,192	13,718,213	858,800	42,095,878	6,131,405	253,921,045
Total Liabilities	\$ 171,356,557	19,760,192	13,718,213	858,800	42,095,878	6,131,405	253,921,045

**Statement of Collections and Disbursements
Month of October, 2007**

Collections							
Net Collections	\$ 144,701,016	22,168,098	840,058	1,417,646	554,764	31,119,680	200,801,262
Interest	457,341	36,891	51,899	3,037	160,238	20,322	729,728
Total Collections	\$ 145,158,357	22,204,989	891,957	1,420,683	715,002	31,140,002	201,530,990
Disbursements							
Political Subdivisions	\$ 174,625,444	23,280,644	0	493,536	0	5,751,358	204,150,982
General Revenue	1,763,854	0	0	4,985	0	0	1,768,839
Transfers to State Funds	407	0	0	835,200	340,686	25,086,006	26,262,299
Transfers to Local Funds	0	0	0	0	0	0	0
Refunds to Taxpayers	205,581	0	0	0	0	0	205,581
Total Disbursements	\$ 176,595,286	23,280,644	0	1,333,721	340,686	30,837,364	232,387,701
Collection Over (Under) Disbursements	\$ (31,436,929)	(1,075,655)	891,957	86,962	374,316	302,638	(30,856,711)
Beginning Total Assets	202,793,486	20,835,847	12,826,256	771,838	41,721,562	5,828,767	284,777,756
Ending Total Assets	\$ 171,356,557	19,760,192	13,718,213	858,800	42,095,878	6,131,405	253,921,045

**Fiscal Year to Date
July 1, 2007 - June 30, 2008**

Collections							
Net Collections	\$ 727,831,807	92,207,526	1,629,885	5,652,338	9,600,087	135,867,887	972,789,530
Interest	2,096,161	151,564	211,965	12,194	620,929	94,211	3,187,024
Total Collections	\$ 729,927,968	92,359,090	1,841,850	5,664,532	10,221,016	135,962,098	975,976,554
Disbursements							
Political Subdivisions	\$ 781,699,404	92,454,246	2,413,232	2,207,022	5,660,157	28,475,296	912,909,357
General Revenue	7,895,851	0	0	22,293	1,763,041	0	9,681,185
Transfers to State Funds	38,229	0	0	3,437,986	340,686	109,371,476	113,188,377
Transfers to Local Funds	0	0	0	0	0	0	0
Refunds to Taxpayers	645,790	0	0	2,911	341,526	0	990,227
Total Disbursements	\$ 790,279,274	92,454,246	2,413,232	5,670,212	8,105,410	137,846,772	1,036,769,146
Collection Over (Under) Disbursements	\$ (60,351,306)	(95,156)	(571,382)	(5,680)	2,115,606	(1,884,674)	(60,792,592)
Beginning Total Assets	231,707,863	19,855,348	14,289,595	864,480	39,980,272	8,016,079	314,713,637
Ending Total Assets	\$ 171,356,557	19,760,192	13,718,213	858,800	42,095,878	6,131,405	253,921,045

Note 1: Cash: -0.9688% of total assets.

Investaccount: 0.4531% of total assets.

Overnight Repurchase Agreements: 73.1308% of total assets.

Term Securities: 27.3849% of total assets.

Note 2: All funds are 100% secured by collateral and FDIC.

Note 3: Effective interest rate on Overnight Repurchase Agreements is 4.631%.

Note 4: Effective interest rate on Term Securities is 4.635%

Note 5: The negative cash balance in Sales and Use Tax, County and Other Miscellaneous Taxes, and Financial Institution Tax is due to investing the float.

00045

1-002

**LOUGHBOROUGH COMMONS CID
TRACY R RING ATTNY
10 S BROADWAY STE 2000
ST LOUIS MO 63102**

Missouri Department of Revenue

01/03/08

We have instructed the Central Bank, Jefferson City, to distribute your local sales tax monies in the amount of \$75,311.26 by electronic funds transfer (ACH) to UMB BANK LOUGHBOROUGH COMMONS CID/AC-9871592197 for your credit and use on 01/07/08. If you do not receive your distribution or if you have questions concerning the amount of your distribution, please contact the Missouri Department of Revenue at (573) 751-4876.

10100039M
101 - COMM IMP DIST

Local Sales Tax Account History

LOUGHBOROUGH COMMONS CID/AC-9871592197

	2005	DSP	2006	DSP	Variance 05 to 06	2007	DSP	Variance 06 to 07
December	0.00		0.00		0.00	75,311.26	A	75,311.26
Year to Date	0.00		0.00		0.00	158,065.01		158,065.01

**DEPARTMENT OF REVENUE
LOCAL TAXES FINANCIAL STATEMENTS**

**Balance Sheet
November 30, 2007**

Description	Sales and Use Tax	Fuel Tax and Bonds	County/Other Miscellaneous	Cigarette Tax	Financial Institution Tax	Riverboat Gaming Tax and Fee	Total
Assets							
Cash	\$ (2,639,621)	4,922	(17,746)	5,546	264,483	5,406	(2,377,010)
Investments:							
Investaccount	528,526	19,877	26,485	24,033	723,297	21,115	1,343,333
Overnight Repurchase Agreements	105,633,515	7,148,237	5,610,801	315,392	13,419,530	2,859,679	134,987,154
Term Securities	169,007,493	11,436,763	8,976,957	504,608	21,470,470	4,575,321	215,971,612
Total Assets	<u>\$ 272,529,913</u>	<u>18,609,799</u>	<u>14,596,497</u>	<u>849,579</u>	<u>35,877,780</u>	<u>7,461,521</u>	<u>349,925,089</u>
Liabilities							
Funds Held in Trust	\$ 272,529,913	18,609,799	14,596,497	849,579	35,877,780	7,461,521	349,925,089
Total Liabilities	<u>\$ 272,529,913</u>	<u>18,609,799</u>	<u>14,596,497</u>	<u>849,579</u>	<u>35,877,780</u>	<u>7,461,521</u>	<u>349,925,089</u>

**Statement of Collections and Disbursements
Month of November, 2007**

Collections							
Net Collections	\$ 235,162,058	19,855,476	832,226	1,567,210	791,532	37,807,761	296,016,263
Interest	442,192	38,554	46,058	2,751	142,560	21,181	693,296
Total Collections	<u>\$ 235,604,250</u>	<u>19,894,030</u>	<u>878,284</u>	<u>1,569,961</u>	<u>934,092</u>	<u>37,828,942</u>	<u>296,709,559</u>
Disbursements							
Political Subdivisions	\$ 132,856,089	21,044,423	0	569,197	0	6,033,674	160,503,383
General Revenue	1,341,980	0	0	5,749	6,773,864	0	8,121,593
Transfers to State Funds	74,676	0	0	1,002,975	0	30,465,152	31,542,803
Transfers to Local Funds	0	0	0	0	0	0	0
funds to Taxpayers	158,149	0	0	1,261	378,326	0	537,736
Total Disbursements	<u>\$ 134,430,894</u>	<u>21,044,423</u>	<u>0</u>	<u>1,579,182</u>	<u>7,152,190</u>	<u>36,498,826</u>	<u>200,705,515</u>
Collection Over (Under) Disbursements	\$ 101,173,356	(1,150,393)	878,284	(9,221)	(6,218,098)	1,330,116	96,004,044
Beginning Total Assets	171,356,557	19,760,192	13,718,213	858,800	42,095,878	6,131,405	253,921,045
Ending Total Assets	<u>\$ 272,529,913</u>	<u>18,609,799</u>	<u>14,596,497</u>	<u>849,579</u>	<u>35,877,780</u>	<u>7,461,521</u>	<u>349,925,089</u>

**Fiscal Year to Date
July 1, 2007 - June 30, 2008**

Collections							
Net Collections	\$ 962,993,865	112,063,002	2,462,111	7,219,548	10,391,619	173,675,648	1,268,805,793
Interest	2,538,353	190,118	258,023	14,945	763,489	115,392	3,880,320
Total Collections	<u>\$ 965,532,218</u>	<u>112,253,120</u>	<u>2,720,134</u>	<u>7,234,493</u>	<u>11,155,108</u>	<u>173,791,040</u>	<u>1,272,686,113</u>
Disbursements							
Political Subdivisions	\$ 914,555,493	113,498,669	2,413,232	2,776,219	5,660,157	34,508,970	1,073,412,740
General Revenue	9,237,831	0	0	28,042	8,536,905	0	17,802,778
Transfers to State Funds	112,905	0	0	4,440,961	340,686	139,836,628	144,731,180
Transfers to Local Funds	0	0	0	0	0	0	0
Refunds to Taxpayers	803,939	0	0	4,172	719,852	0	1,527,963
Total Disbursements	<u>\$ 924,710,168</u>	<u>113,498,669</u>	<u>2,413,232</u>	<u>7,249,394</u>	<u>15,257,600</u>	<u>174,345,598</u>	<u>1,237,474,661</u>
Collection Over (Under) Disbursements	\$ 40,822,050	(1,245,549)	306,902	(14,901)	(4,102,492)	(554,558)	35,211,452
Beginning Total Assets	231,707,863	19,855,348	14,289,595	864,480	39,980,272	8,016,079	314,713,637
Ending Total Assets	<u>\$ 272,529,913</u>	<u>18,609,799</u>	<u>14,596,497</u>	<u>849,579</u>	<u>35,877,780</u>	<u>7,461,521</u>	<u>349,925,089</u>

1: Cash: -0.6793% of total assets.

Investaccount: 0.3839% of total assets.

Overnight Repurchase Agreements: 38.5760% of total assets.

Term Securities: 61.7194% of total assets.

Note 2: All funds are 100% secured by collateral and FDIC.

Note 3: Effective interest rate on Overnight Repurchase Agreements is 4.093%.

Note 4: Effective interest rate on Term Securities is 4.270%

Note 5: The negative cash balance in Sales and Use Tax and County and Other Miscellaneous Tax is due to investing the float.

**COMMISSION
CITY OF ST. LOUIS**

To all whom it may concern

Be it known That Franklin Sears

of the City of St. Louis, in the State of Missouri, having been appointed by the Honorable
Francis G. Slay, Mayor of the City of St. Louis,

to the position of Member of the Loughborough Commons CID

To Have and to Hold said Office and exercise the several duties, functions and franchises appertaining
thereto according to Charter and Ordinance for the term ending May 18, 2010

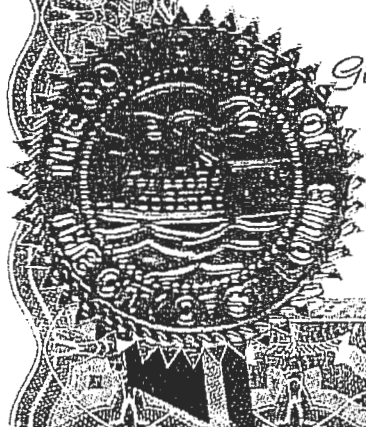
unless sooner removed from office and until his successor shall be duly selected and qualified.

Given under my hand and the Corporate Seal of the said City this 11th

day of December / A.D. 2007

James J. May

REGISTER





Corporate Trust Division

2 South Broadway, Suite 435
St. Louis, Missouri 63102

Linda M. Krull
Assistant Vice President
Phone: 314-612-8241
Fax: 314-612-8499
E-Mail: linda.krull@umb.com

January 24, 2008

Michael Sullivan, Chairman
Loughborough Commons Community
Improvement District
C/O The DESCO Group
25 North Brentwood Boulevard
St. Louis, MO 63105

RE: FISCAL AGENT AGREEMENT

Dear Mr. Sullivan:

UMB Bank, N.A., as Depository and Trustee for The Industrial Development Authority of the City of St. Louis, Missouri Tax Increment and Community Improvement Refunding Revenue Bonds (Loughborough Commons Redevelopment Project) Series 2007, has been asked by the City of St. Louis if the date of the monthly transfer in item 3 of the Fiscal Agent Agreement dated as of November 1, 2007 can be revised to allow for the monthly transfer to the City of St. Louis to be made on or before the 10th calendar day of each month. The current language calls for the transfer to be made on the 10th calendar day of each month. The change will allow the transfer to the City before the City is required to remit funds to the Trustee for deposit in the appropriate Revenue account by the 10th calendar day of each month.

Please acknowledge your approval of this change by signing and dating below.

If you have any questions, please feel free to contact me at (314) 612-8241.

Sincerely,

Linda M. Krull
Assistant Vice President

Acknowledged and agreed to this _____ day of _____, 2008

Loughborough Commons Community Improvement District

By: _____
Michael Sullivan, Chairman

**LOUGHBOROUGH COMMONS
COMMUNITY IMPROVEMENT DISTRICT**

Notice of Open Meeting of the Board of Directors

Notice is hereby given that the Board of Directors of Loughborough Commons Community Improvement District will conduct a meeting at 10 a.m. on Wednesday, May 14, 2008, at the offices of Greensfelder, Hemker & Gale, P.C., 10 South Broadway, Suite 2000, St. Louis, Missouri 63102, to consider and act upon the following:

1. Roll Call
2. Adoption of Resolution No. 2008-01, entitled:

**A RESOLUTION OF THE LOUGHBOROUGH COMMONS COMMUNITY
IMPROVEMENT DISTRICT RATIFYING THE MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS HELD ON NOVEMBER 26, 2007.**

3. Adoption of Resolution No. 2008-02, entitled:

**A RESOLUTION OF THE LOUGHBOROUGH COMMONS COMMUNITY
IMPROVEMENT DISTRICT ELECTING OFFICERS.**

4. Adoption of Resolution No. 2008-03, entitled:

**A RESOLUTION OF THE LOUGHBOROUGH COMMONS COMMUNITY
IMPROVEMENT DISTRICT APPROVING A BUDGET FOR FISCAL YEAR
2009.**

5. New Business.

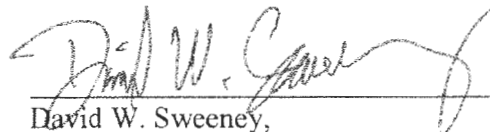
6. Discussion regarding setting date, time and place for the next meeting of the Board of Directors.

Some of the Board of Directors may participate by telephone or other electronic means. Any member of the public may observe and attend the meeting at the office identified above. Representatives of the news media may obtain copies of this notice by contacting: Tracy R. Ring c/o Greensfelder, Hemker & Gale, P.C., 10 South Broadway, Suite 2000, St. Louis, Missouri 63102, 314-516-2620. Persons with disabilities wishing to attend may contact Tracy R. Ring at the address and telephone number provided above prior to the meeting if accommodations are required.

AFFIDAVIT

State of Missouri)
) ss.
City of St. Louis)

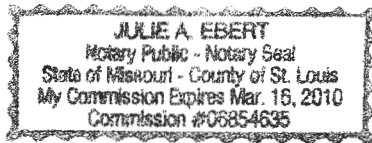
I, David W. Sweeney, Clerk to the Board of Aldermen of the City of St. Louis, Missouri, being first duly sworn, state and certify that the attached notice of the meeting of the Board of Directors of the Loughborough Commons Community Improvement District to be held at 10 a.m. on May 14, 2008, (1) was posted at least 24 hours prior to the commencement of the meeting on a bulletin board or other prominent place at St. Louis City Hall, 1200 Market Street, St. Louis, Missouri 63103, which is easily accessible to the public, and (2) was made available to any representative of the news media who requested notice of the meeting.

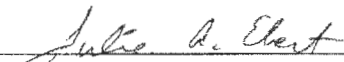


David W. Sweeney,
Clerk to the Board of Aldermen of the City
of St. Louis, Missouri

Subscribed and sworn to before me this 12th day of May, 2008.

(SEAL)





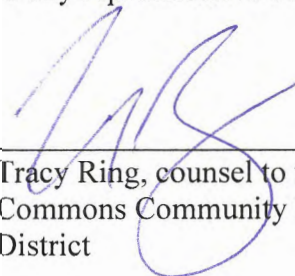
Notary Public

My commission expires:

AFFIDAVIT


State of Missouri)
) ss.
City of St. Louis)

I, Tracy Ring, counsel to the Loughborough Commons Community Improvement District, being first duly sworn, state and certify that the attached notice of the meeting of the Board of Directors of the Loughborough Commons Community Improvement District to be held at 10 a.m. on May 14, 2008, (1) was posted at least 24 hours prior to the commencement of the meeting on a bulletin board or other prominent place at the offices of Greensfelder, Hemker & Gale, P.C., 10 South Broadway, Suite 2000, St. Louis, Missouri 63102, which is easily accessible to the public, and (2) was made available to any representative of the news media who requested notice of the meeting.

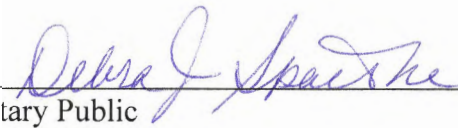


Tracy Ring, counsel to the Loughborough
Commons Community Improvement
District

Subscribed and sworn to before me this 14th day of May, 2008.

(SEAL) 

DEBRA J. SPAETHE
My Commission Expires
June 5, 2011
St. Louis County
Commission #07594292



Notary Public

My commission expires:

RESOLUTION NO. 2008-01

**A RESOLUTION OF THE LOUGHBOROUGH COMMONS COMMUNITY
IMPROVEMENT DISTRICT RATIFYING THE MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS HELD ON NOVEMBER 26, 2007**

WHEREAS, pursuant to the Community Improvement District Act, Sections 67.1401 to 67.1571 of the Revised Statutes of Missouri, as amended (the "CID Act"), the City of St. Louis, Missouri (the "City") adopted Ordinance No. 67088 on May 17, 2006 (the "Ordinance"), establishing the Loughborough Commons Community Improvement District (the "District");

WHEREAS, pursuant to the Ordinance and the Petition signed by representatives of more than fifty percent per capital of all property owners within the District, the Mayor of the City appointed members of the board of directors of the District serving such terms as designated by the Mayor of the City;

WHEREAS, pursuant to Paragraph 8 of Article IV of the Bylaws of the District, the Board of Directors shall conduct all meetings of the Board of Directors in accordance with the Sunshine Law of the State of Missouri; and

WHEREAS, pursuant to Section 610.020.7 of the Revised Statutes of Missouri, the Sunshine Law requires that minutes of meetings be taken and retained by the District.

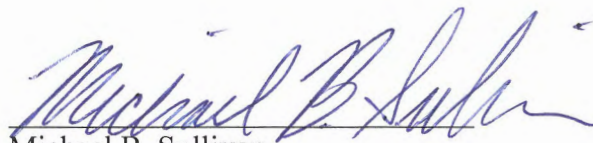
**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF
DIRECTORS OF THE LOUGHBOROUGH COMMONS COMMUNITY
IMPROVEMENT DISTRICT AS FOLLOWS:**

1. The Board of Directors of the District hereby ratifies the minutes of the meeting of the Board of Directors held on November 26, 2007 attached hereto as Exhibit A and directs the Secretary of the Board of Directors to attest to such minutes as ratified.
2. The Board of Directors of the District hereby directs that the minutes so attested and ratified be retained in the records of the District.
3. This resolution shall be in full force and effect from and after its adoption by the Board of Directors.

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This Resolution was adopted at the meeting of the Board of Directors of the District duly called and held on this date. This Resolution shall be filed by the Custodian of Records of the District with the minutes of the meetings of the Board of Directors.

Approved this 14th day of May, 2008.




Michael B. Sullivan,
Chairman of the Board of Directors



(SEAL)

ATTEST:



Michael L. Anthon,
Secretary of the Board of Directors

Exhibit A
Minutes of the November 26, 2007 Meeting of the Board of Directors

SEE ATTACHED

MINUTES

**MEETING OF THE BOARD OF DIRECTORS OF
THE LOUGHBOROUGH COMMONS COMMUNITY IMPROVEMENT DISTRICT**

November 26, 2007

A meeting of the Board of Directors of the Loughborough Commons Community Improvement District ("District") was held at 10 South Broadway, Suite 2000, St. Louis, Missouri 63102, on Monday, November 26, 2007 at 9:00 a.m.

1. Roll Call

The following members of the Board of Directors were present in person or via telephone conference and thereby constituted a quorum of the Directors:

Michael Sullivan
Patricia McDougell
Michael Anthon

The following guests of the Board of Directors were present:

Tracy Ring
Brian McMaster

2. Considerations and Resolutions

A. The matter of ratifying the Minutes of the October 26, 2007 meeting of the Board of Directors of the District came on for consideration and was discussed. After consideration and discussion by the Board, Director McDougell moved for the adoption of Resolution No. **2007-17**, titled as follows:

**A RESOLUTION OF THE LOUGHBOROUGH COMMONS COMMUNITY
IMPROVEMENT DISTRICT RATIFYING THE MINUTES OF THE MEETING OF
THE BOARD OF DIRECTORS HELD ON OCTOBER 26, 2007.**

Director Sullivan seconded the motion. Thereupon, the resolution was put to a roll call vote, and was passed by the following vote:

Aye: Michael Sullivan
Patricia McDougell
Michael Anthon

Nay: None

Thereupon, the Chairman declared said Resolution duly passed and the Resolution was then signed by the Chairman and attested and certified by the Secretary.

B. The matter of authorizing the issuance of community improvement sales tax revenue bonds and authorizing certain actions in connection with the execution and delivery of the bonds came on for consideration and was discussed. After consideration and discussion by the Board, Director Anthon made a motion for the adoption of Resolution No. **2007-18**, titled as follows:

A RESOLUTION AUTHORIZING ALL ACTIONS NECESSARY OR PROPER PURSUANT TO THE ISSUANCE OF THE REFUNDING REVENUE BONDS, SERIES 2007, BY THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF ST. LOUIS, MISSOURI.

Director McDougell seconded the motion. Thereupon, the resolution was put to a roll call vote, and was passed by the following vote:

Aye: Michael Sullivan
Patricia McDougell
Michael Anthon

Nay: None

Thereupon, the Chairman declared said Resolution duly passed and the Resolution was then signed by the Chairman and attested and certified by the Secretary.

C. The matter of authorizing the issuance of a subordinated community improvement revenue note came on for consideration and was discussed. After consideration and discussion by the Board, Director McDougell made a motion for the adoption of Resolution No. **2007-19**, titled as follows:

A RESOLUTION OF THE LOUGHBOROUGH COMMONS COMMUNITY IMPROVEMENT DISTRICT AUTHORIZING THE ISSUANCE OF A SUBORDINATED COMMUNITY IMPROVEMENT REVENUE NOTE, SERIES 2007, AND AUTHORIZING THE EXECUTION OF A SUPPLEMENT TO THE TRUST INDENTURE.

Director Anthon seconded the motion. Thereupon, the resolution was put to a roll call vote, and was passed by the following vote:

Aye: Michael Sullivan
Patricia McDougell
Michael Anthon

Nay: None

Thereupon, the Chairman declared said Resolution duly passed and the Resolution was then signed by the Chairman and attested and certified by the Secretary.

3. New Business

After consideration and voting on the above resolutions, the following new business matters came on for consideration: None

4. Adjournment

There being no further business to come before the Board of Directors, upon motion duly made by Director Sullivan, seconded by Director McDougell and unanimously carried by the Board of Directors, the meeting was adjourned.

A handwritten signature in blue ink, appearing to read 'MA', is positioned above a horizontal line.

Michael Anthon, Secretary of the Board of Directors

RESOLUTION NO. 2008-02

**A RESOLUTION OF THE LOUGHBOROUGH COMMONS COMMUNITY
IMPROVEMENT DISTRICT ELECTING OFFICERS**

WHEREAS, pursuant to the Community Improvement District Act, Sections 67.1401 to 67.1571 of the Revised Statutes of Missouri, as amended (the "CID Act"), the City of St. Louis, Missouri (the "City") adopted Ordinance No. 67088 on May 17, 2006 (the "Ordinance"), establishing the Loughborough Commons Community Improvement District (the "District"); and

WHEREAS, pursuant to the Ordinance and the Petition signed by representatives of more than fifty percent per capita of all property owners within the District, the Mayor of the City appointed the Board of Directors of the District serving such terms as designated by the Mayor of the City; and

WHEREAS, pursuant to the Bylaws of the District, the officers of the District shall be elected or appointed annually by the Board of Directors, to serve at the pleasure of the Board of Directors until the next annual meeting of the Board of Directors and until their successors are duly elected and qualified.; and

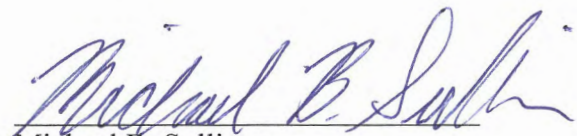
WHEREAS, pursuant to Section 67.1451.8 of the CID Act, the board of directors of a community improvement district is authorized to act on behalf of the District

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE LOUGHBOROUGH COMMONS COMMUNITY IMPROVEMENT DISTRICT AS FOLLOWS:

1. The Board of Directors hereby appoints Karen Mills to serve as the Vice Chair of the District for a term expiring May 19, 2011 provided that Director Mills shall serve in such capacity until her successor shall have been duly appointed.
2. The Board of Directors hereby appoints Michael L. Anthon to serve as the Secretary of the District for a term expiring May 19, 2011 provided that Director Anthon shall serve in such capacity until his successor shall have been duly appointed.
3. The District shall reimburse each officer of the District for his or her reasonable out-of-pocket expenses incurred in the performance of their duties as such officer.
4. This Resolution shall take effect and be in full force from and after the date of its adoption by the Board of Directors.

This Resolution was adopted at the meeting of the Board of Directors of the District duly called and held on this date. This Resolution shall be filed by the Custodian of Records of the District with the minutes of the meetings of the Board of Directors.

Approved this 14th day of May, 2008.



Michael B. Sullivan,
Chairman of the Board of Directors



(SEAL)

ATTEST:



Michael L. Anthon,
Secretary of the Board of Directors

RESOLUTION NO. 2008-03

**A RESOLUTION OF THE LOUGHBOROUGH COMMONS COMMUNITY
IMPROVEMENT DISTRICT APPROVING A BUDGET FOR FISCAL YEAR 2009**

WHEREAS, pursuant to the Community Improvement District Act, Sections 67.1401 to 67.1571 of the Revised Statutes of Missouri, as amended (the "CID Act"), the City of St. Louis, Missouri (the "City") adopted Ordinance No. 67088 on May 17, 2006 (the "Ordinance"), establishing the Loughborough Commons Community Improvement District (the "District"); and

WHEREAS, pursuant to the Ordinance and the Petition signed by representatives of more than fifty percent per capita of all property owners within the District, the Mayor of the City appointed members of the board of directors of the District (the "Board of Directors") serving such terms as designated by the Mayor of the City; and

WHEREAS, pursuant to Section 67.1471.1 of the CID Act and District Resolution 2006-01, the District's fiscal year is July 1 – June 30; and

WHEREAS, pursuant to Section 67.1471.2 of the CID Act, the District is required to submit a proposed annual budget to the City for review and comment; and

WHEREAS, pursuant to Section 67.1471.3 of the CID Act, the District is required to adopt an annual budget; and

WHEREAS, pursuant to the Financing Agreement by and among the District, the Industrial Development Authority, and the City of St. Louis dated as of November 1, 2007 (the "Financing Agreement"), the Treasurer of the District shall include in the budget proposal submitted to the Board of Directors of the District a request for an appropriation of the CID Revenues for transfer to the Trustee.

WHEREAS, pursuant to Section 67.1451.8 of the CID Act, the board of directors of a community improvement district is authorized to act on behalf of the District.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF
THE LOUGHBOROUGH COMMONS COMMUNITY IMPROVEMENT DISTRICT AS
FOLLOWS:**

1. The District acknowledges that it has submitted a proposed budget to the City for review and comment for the fiscal year beginning July 1, 2008 and ending June 30, 2009 and that the City provided no comments thereto.

2. Each member of the Board of Directors acknowledges that he or she has received and reviewed, and the District hereby approves, the budget in substantially the form attached hereto as Exhibit A.

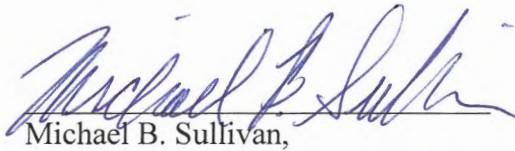
3. The Board of Directors hereby appropriates all CID Revenues to the Trustee for application in accordance with the Financing Agreement.

4. The District shall, and the officials, agents and employees of the District 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 District with respect to the annual budget requirements of the CID Act.

5. This Resolution shall take effect and be in full force from and after the date of its adoption by the Board of Directors.

This Resolution was adopted at the meeting of the Board of Directors of the District duly called and held on this date. This Resolution shall be filed by the Custodian of Records of the District with the minutes of the meetings of the Board of Directors. All capitalized terms not defined herein shall have the same meaning attributed to them in the Financing Agreement.

Approved this 14th day of May, 2008.



Michael B. Sullivan,
Chairman of the Board of Directors



(SEAL)

ATTEST:



Michael L. Anthon,
Secretary of the Board of Directors

Exhibit A

Budget

SEE ATTACHED

**LOUGHBOROUGH COMMONS COMMUNITY
IMPROVEMENT DISTRICT
FISCAL YEAR JULY 1, 2008 TO JUNE 30, 2009
BUDGET MESSAGE
BY
PATRICIA MCDOUGELL, TREASURER**

Pursuant to the official results of the mail-in ballot from the qualified voters of the District of an election held on Tuesday, September 26, 2006, as certified by the St. Louis City Board of Election Commissioners September 28, 2006, the qualified voters of the District approved the imposition of a sales and use tax pursuant to Section 67.1545 of the CID Act in an aggregate amount equal to 1.000% (the "CID Sales Tax") for the purpose of financing the costs of certain community improvements and paying the costs of formation and operation of the District

On December 22, 2006, the District approved Resolution No. 2006-05 which authorized the execution of a development agreement between the District and Loughborough Commons, L.L.C. (the "Developer"), as the same may be amended from time to time (the "Agreement"). Pursuant to the Agreement, the Developer agreed to construct and implement the Project (as defined in the Agreement), and the District agreed to issue obligations to reimburse the Developer for such costs. The District began issuing such obligations to the Developer in 2007.

The District anticipates collecting approximately \$350,000 of tax revenues from the CID Sales Tax in 2009. It is hereby requested that such tax revenues be appropriated for transfer to UMB Bank, N.A. (the "Trustee") pursuant to the Financing Agreement by and among the District, the Industrial Development Authority, and the City of St. Louis.

The CID Sales Tax will then be allocated to the various accounts and funds as required by the Trust Indenture between the District and the Trustee.

Loughborough Commons Community Improvement District
Operating Budget

For the Fiscal Year July 1, 2008 through June 30, 2009

	Revenues Under Bond Indenture								Revenues Under Supplemental Trust Indenture						
	Special Trust Fund	Revenue Fund	Operating Fund	Debt Service Fund	Debt Service Reserve Fund	Project Fund	Rebate Fund	Excess Revenue Fund	Special Trust Fund	Revenue Fund	Operating Fund	Note Payment Account of Debt Service Fund	Redemption Account of Debt Service Fund	Project Fund	Surplus Fund
Beginning Balance															
Summary of Receipts															
Sales Tax Revenue	350,000														
Note Proceeds															
Interest Earnings	3,063														
From Special Trust Fund		353,063													
From Revenue Fund			15,000		338,063										
Total Receipts and Beginning Balance	353,063	353,063	15,000	338,063	0	0	0	0	0	0	0	0	0	0	0
Summary of Disbursements															
To Revenue Fund	(353,063)														
To Operating Fund		(15,000)													
To Debt Service Fund		(338,063)													
To Debt Service Reserve Fund															
To Project Fund															
To Rebate Fund															
To Excess Revenue Fund															
Operating Expenses:															
Bank Fees			(500)												
Administrative Costs			(4,500)												
Insurance Expenses															
Legal Expenses			(5,000)												
Audit Fee			(5,000)												
Project Expenses															
Debt Instrument - Cost of Issuance															
Debt Service				(338,063)											
Total Disbursements	(353,063)	(353,063)	(15,000)	(338,063)	0	0	0	0	0	0	0	0	0	0	0
Other Financing Sources (Uses)															
Transfers In	353,063	353,063	15,000	338,063	0	0	0	0	0	0	0	0	0	0	0
Transfers Out	(353,063)	(353,063)	(15,000)	(338,063)	0	0	0	0	0	0	0	0	0	0	0
Ending Balance	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

*CID Portion of CID Sales Tax Revenues

**LOUGHBOROUGH COMMONS
COMMUNITY IMPROVEMENT DISTRICT**

Notice of Open Meeting of the Board of Directors

Notice is hereby given that the Board of Directors of Loughborough Commons Community Improvement District will conduct a meeting at 2:00 p.m. on October 31, 2008, at the offices of Greensfelder, Hemker & Gale, P.C., 10 South Broadway, Suite 2000, St. Louis, Missouri 63102, to consider and act upon the following:

1. Roll Call
2. Adoption of Resolution No. 2008-04, entitled:

**A RESOLUTION OF THE LOUGHBOROUGH COMMONS COMMUNITY
IMPROVEMENT DISTRICT RATIFYING THE MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS HELD ON MAY 14, 2008**

3. Adoption of Resolution No. 2005-05, entitled:

**A RESOLUTION OF THE LOUGHBOROUGH COMMONS COMMUNITY
IMPROVEMENT DISTRICT ACCEPTING AND APPROVING THE
CERTIFICATE OF REIMBURSABLE PROJECT COSTS SUBMITTED BY
LOUGHBOROUGH COMMONS, LLC**

4. Adoption of Resolution No. 2008-06, entitled:

**A RESOLUTION OF THE LOUGHBOROUGH COMMONS COMMUNITY
IMPROVEMENT DISTRICT AUTHORIZING THE ISSUANCE OF A
SUBORDINATED COMMUNITY IMPROVEMENT REVENUE NOTE, SERIES
2008, AND AUTHORIZING THE EXECUTION OF A SUPPLEMENT TO THE
TRUST INDENTURE**

5. Discussion regarding setting date, time and place for the next meeting of the Board of Directors.

Some of the Board of Directors may participate by telephone or other electronic means. Any member of the public may observe and attend the meeting at the office identified above. Representatives of the news media may obtain copies of this notice by contacting: Tracy R. Ring c/o Greensfelder, Hemker & Gale, P.C., 10 South Broadway, Suite 2000, St. Louis, Missouri 63102, 314-516-2620. Persons with disabilities wishing to attend may contact Tracy R. Ring at the address and telephone number provided above prior to the meeting if accommodations are required.

AFFIDAVIT

State of Missouri)
) ss.
City of St. Louis)

I, Catherine A. Smetkowski, being first duly sworn, state and certify that the attached notice of the meeting of the Board of Directors of the Loughborough Commons Community Improvement District to be held at 2:00 p.m. on October 31, 2008, (1) was posted at least 24 hours prior to the commencement of the meeting on a bulletin board or other prominent place at St. Louis City Hall, 1200 Market Street, St. Louis, Missouri 63103, which is easily accessible to the public, and (2) was made available to any representative of the news media who requested notice of the meeting.

Signed: Catherine A. Smetkowski
Print Name: Catherine A. Smetkowski

Subscribed and sworn to before me this 29 day of October, 2008.



DIANE MARCH
My Commission Expires
January 21, 2011
St. Louis City
Commission #07699525

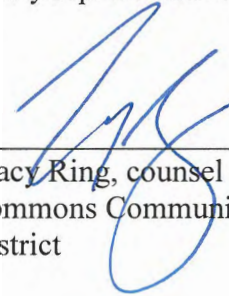
Diane March
Notary Public

My commission expires: 1-21-2011

AFFIDAVIT

State of Missouri)
) ss.
City of St. Louis)

I, Tracy Ring, counsel to the Loughborough Commons Community Improvement District, being first duly sworn, state and certify that the attached notice of the meeting of the Board of Directors of the Loughborough Commons Community Improvement District to be held at 2:00 p.m. on October 31, 2008, (1) was posted at least 24 hours prior to the commencement of the meeting on a bulletin board or other prominent place at the offices of Greensfelder, Hemker & Gale, P.C., 10 South Broadway, Suite 2000, St. Louis, Missouri 63102, which is easily accessible to the public, and (2) was made available to any representative of the news media who requested notice of the meeting.



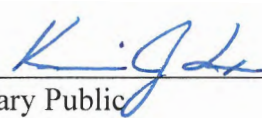
Tracy Ring, counsel to the Loughborough
Commons Community Improvement
District

Subscribed and sworn to before me this 30 day of October, 2008.

(SEAL)



KEVIN J. LUX
My Commission Expires
January 18, 2009
St. Louis County
Commission #05655108



Notary Public

My commission expires:

RESOLUTION NO. 2008-04

**A RESOLUTION OF THE LOUGHBOROUGH COMMONS COMMUNITY
IMPROVEMENT DISTRICT RATIFYING THE MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS HELD ON MAY 14, 2008**

WHEREAS, pursuant to the Community Improvement District Act, Sections 67.1401 to 67.1571 of the Revised Statutes of Missouri, as amended (the "CID Act"), the City of St. Louis, Missouri (the "City") adopted Ordinance No. 67088 on May 17, 2006 (the "Ordinance"), establishing the Loughborough Commons Community Improvement District (the "District");

WHEREAS, pursuant to the Ordinance and the Petition signed by representatives of more than fifty percent per capital of all property owners within the District, the Mayor of the City appointed members of the board of directors of the District serving such terms as designated by the Mayor of the City;

WHEREAS, pursuant to Paragraph 8 of Article IV of the Bylaws of the District, the Board of Directors shall conduct all meetings of the Board of Directors in accordance with the Sunshine Law of the State of Missouri; and

WHEREAS, pursuant to Section 610.020.7 of the Revised Statutes of Missouri, the Sunshine Law requires that minutes of meetings be taken and retained by the District.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF
DIRECTORS OF THE LOUGHBOROUGH COMMONS COMMUNITY
IMPROVEMENT DISTRICT AS FOLLOWS:**

1. The Board of Directors of the District hereby ratifies the minutes of the meeting of the Board of Directors held on May 14, 2008 attached hereto as Exhibit A and directs the Secretary of the Board of Directors to attest to such minutes as ratified.
2. The Board of Directors of the District hereby directs that the minutes so attested and ratified be retained in the records of the District.
3. This resolution shall be in full force and effect from and after its adoption by the Board of Directors.

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This Resolution was adopted at the meeting of the Board of Directors of the District duly called and held on this date. This Resolution shall be filed by the Custodian of Records of the District with the minutes of the meetings of the Board of Directors.

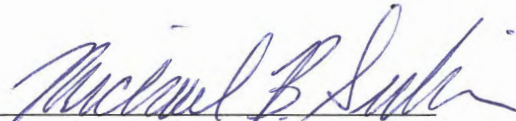
Approved this 31st day of October, 2008.

(SEAL)

ATTEST:



Michael L. Anthon,
Secretary of the Board of Directors



Michael B. Sullivan,
Chairman of the Board of Directors

Exhibit A
Minutes of the May 14, 2008 Meeting of the Board of Directors

SEE ATTACHED

MINUTES

MEETING OF THE BOARD OF DIRECTORS OF THE LOUGHBOROUGH COMMONS COMMUNITY IMPROVEMENT DISTRICT

May 14, 2008

A meeting of the Board of Directors of the Loughborough Commons Community Improvement District ("District") was held at 10 South Broadway, Suite 2000, St. Louis, Missouri 63102, on Wednesday, May 14, 2008 at 10 a.m.

1. Roll Call

The following members of the Board of Directors were present in person or via telephone conference and thereby constituted a quorum of the Directors:

Michael Sullivan
Patricia McDougell
Michael Anthon
Franklin Sears
Karen Mills

The following guests of the Board of Directors were present:

Tracy Ring
Brian McMaster

2. Considerations and Resolutions

A. The matter of ratifying the Minutes of the November 26, 2007 meeting of the Board of Directors of the District came on for consideration and was discussed. After consideration and discussion by the Board, Director Sullivan moved for the adoption of Resolution No. **2008-01**, titled as follows:

A RESOLUTION OF THE LOUGHBOROUGH COMMONS COMMUNITY IMPROVEMENT DISTRICT RATIFYING THE MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS HELD ON NOVEMBER 26, 2007.

Director McDougell seconded the motion. Thereupon, the resolution was put to a roll call vote, and was passed by the following vote:

Aye: Michael Sullivan
Patricia McDougell
Michael Anthon
Franklin Sears
Karen Mills

Nay: None

Thereupon, the Chairman declared said Resolution duly passed and the Resolution was then signed by the Chairman and attested and certified by the Secretary.

B. The matter of electing officers of the District came on for consideration and was discussed. After consideration and discussion by the Board, Director Sears made a motion for the adoption of Resolution No. **2008-02**, titled as follows:

**A RESOLUTION OF THE LOUGHBOROUGH COMMONS COMMUNITY
IMPROVEMENT DISTRICT ELECTING OFFICERS.**

Director Sullivan seconded the motion. Thereupon, the resolution was put to a roll call vote, and was passed by the following vote:

Aye: Michael Sullivan
Patricia McDougell
Michael Anthon
Franklin Sears
Karen Mills

Nay: None

Thereupon, the Chairman declared said Resolution duly passed and the Resolution was then signed by the Chairman and attested and certified by the Secretary.

C. The matter of approving an annual budget of the District for the fiscal year beginning July 1, 2008 and ending June 30, 2009 came on for consideration and was discussed. After consideration and discussion by the Board, Director Mills made a motion for the adoption of Resolution No. **2008-03**, titled as follows:

**A RESOLUTION OF THE LOUGHBOROUGH COMMONS COMMUNITY
IMPROVEMENT DISTRICT APPROVING A BUDGET FOR FISCAL YEAR 2009.**

Director Anthon seconded the motion. Thereupon, the resolution was put to a roll call vote, and was passed by the following vote:

Aye: Michael Sullivan
Patricia McDougell
Michael Anthon
Franklin Sears
Karen Mills

Nay: None


Thereupon, the Chairman declared said Resolution duly passed and the Resolution was then signed by the Chairman and attested and certified by the Secretary.

3. New Business


After consideration and voting on the above resolutions, the following new business matters came on for consideration: Three bids were completed on compilation; Rubin Brown will be retained on an on-going basis. Such matter was unanimously approved.

4. Adjournment

There being no further business to come before the Board of Directors, upon motion duly made by Director Anthon, seconded by Director Sullivan and unanimously carried by the Board of Directors, the meeting was adjourned.



Michael Anthon, Secretary of the Board of Directors



RESOLUTION NO. 2008-05

**A RESOLUTION OF THE LOUGHBOROUGH COMMONS COMMUNITY
IMPROVEMENT DISTRICT ACCEPTING AND APPROVING THE CERTIFICATE
OF REIMBURSABLE PROJECT COSTS SUBMITTED BY LOUGHBOROUGH
COMMONS, LLC**

WHEREAS, pursuant to the Community Improvement District Act, Sections 67.1401 to 67.1571 of the Revised Statutes of Missouri, as amended (the "CID Act"), the City of St. Louis, Missouri (the "City") adopted Ordinance No. 67088 on May 17, 2006 (the "Ordinance"), establishing the Loughborough Commons Community Improvement District (the "District"); and

WHEREAS, pursuant to the Ordinance and the Petition signed by representatives of more than fifty percent per capita of all property owners within the District, the Mayor of the City appointed members of the board of directors of the District serving such terms as designated by the Mayor of the City; and

WHEREAS, the District has authorized the execution of a Trust Indenture, as amended and supplemented by that certain First Supplemental Trust Indenture dated as of November 1, 2007 and that certain Second Supplemental Indenture dated as of September 1, 2008 (the "Indenture") between the District and UMB Bank, N.A. as Trustee (the "Trustee"); and

WHEREAS, the District has authorized the execution of a Development Agreement (the "Development Agreement") between the District and Loughborough Commons, LLC (the "Developer"), pursuant to which the District agreed to reimburse certain costs incurred by the Developer and submitted by the Developer to the District; and

WHEREAS, the Developer has heretofore submitted a Certificate of Reimbursable Costs in the aggregate amount of \$7,500 in accordance with the Development Agreement; and

WHEREAS, the District has reviewed the Certificate of Reimbursable Project Costs so submitted and determined it in the best interests of the District to approve the same; and

WHEREAS, pursuant to Section 67.1451.8 of the CID Act, the board of directors of a community improvement district is authorized to act on behalf of the District.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF
THE LOUGHBOROUGH COMMONS COMMUNITY IMPROVEMENT DISTRICT AS
FOLLOWS:**

1. The District does hereby approve the Certificate of Reimbursable Project Costs submitted by the Developer in the aggregate principal amount of \$7,500 as more fully set forth on the attached Exhibit A, pursuant to the Development Agreement and the Indenture.
2. The Chairman of the District is authorized to submit such approved Certificate of Reimbursable Project Costs to the Trustee under the Indenture and request the principal amount thereof be added as an endorsement to the District obligations contemplated thereunder, dated as

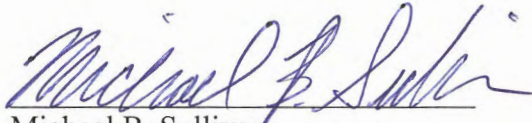
of the date of this Resolution.

3. The District shall, and the officials, agents and employees of the District 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 District with respect to the Development Agreement.

4. This Resolution shall take effect and be in full force from and after the date of its adoption by the Board of Directors.

This Resolution was adopted at the meeting of the Board of Directors of the District duly called and held on this date. This Resolution shall be filed by the Custodian of Records of the District with the minutes of the meetings of the Board of Directors.

Approved this 31st day of October, 2008.



Michael B. Sullivan,
Chairman of the Board of Directors

(SEAL)

ATTEST:



Michael L. Anthon,
Secretary of the Board of Directors

Exhibit A

Certificate of Reimbursable Project Costs

SEE ATTACHED

Certificate of Reimbursable Project Costs

To: Loughborough Commons Community Improvement District
c/o Michael B. Sullivan, Chair
25 North Brentwood Blvd.
St. Louis, Missouri 63105

Re: The Loughborough Commons Community Improvement District

Terms not otherwise defined herein shall have the meaning ascribed to such terms in the Development Agreement dated as of December 22, 2006, by and between the Loughborough Commons Community Improvement District (the "*District*") and Loughborough Commons, L.L.C. (the "*Developer*"), as may be further amended. In connection with the Agreement, the undersigned hereby states and certifies that:

1. Each item listed on Attachment I hereto is a Reimbursable Project Cost and was incurred in connection with the acquisition, construction and implementation of the Project.

2. These costs have been paid by the Developer and are Reimbursable Project Costs under the Agreement.

3. Each item listed on Attachment I has not previously been paid or reimbursed from CID Revenues and no part thereof has been included in any other certificate previously filed with the District.

4. There has not been filed with or served upon the Developer any notice of any lien, right of lien or attachment upon or claim affecting the right of any person, firm or corporation to receive payment of the amounts stated in this request, except to the extent any such lien is being contested in good faith.

5. All necessary permits and approvals required for the portion of the Project for which this certificate relates have been issued and are in full force and effect.

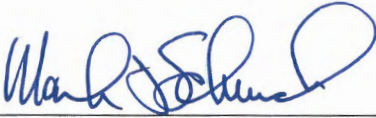
6. All work for which payment or reimbursement is requested has been performed in a good and workmanlike manner and in accordance with the Agreement.

Dated this 31st day of October, 2008.

DEVELOPER:

LOUGHBOROUGH COMMONS, L.L.C.

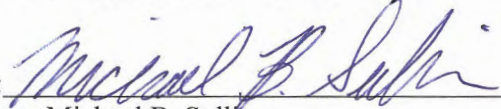
By: The DESCO Group, Inc., its Manager

By: 
Name: Mark J. Schnuck
Title: President

Approved for Payment this 31st day of October, 2008.

DISTRICT:

LOUGHBOROUGH COMMONS COMMUNITY
IMPROVEMENT DISTRICT

By: 

Name: Michael B. Sullivan

Title: Chair of the Board of Directors

**ATTACHMENT I
TO CERTIFICATE OF REIMBURSABLE PROJECT COSTS**

REQUEST NO. 3

DATED OCTOBER 31, 2008

Requisition Request No. 3:

\$7,500 (plus accrued interest)

(SEE ATTACHED)



ARMSTRONG TEASDALE LLP

ONE METROPOLITAN SQUARE, SUITE 2600
ST. LOUIS, MISSOURI 63102-2740
PHONE: 314.621.5070
FAX: 314.621-5065

MISSOURI | KANSAS | ILLINOIS | WASHINGTON, DC | SHANGHAI | SYDNEY

FED ID: 43-1274026

ATTORNEYS AT LAW

Loughborough Commons, LLC
c/o the DESCO Group
25 North Brentwood Boulevard
St. Louis, MO 63105

November 27, 2007
Invoice No. 1175154
File No. 18972 / 7

REMITTANCE COPY
Please return with payment

MATTER	MATTER NAME	TOTAL
7	Re: \$135,000 Loughborough Commons Community Improvement District Subordinate Tax-Exempt Community Improvement Notes, Subordinate (the "Subordinate Notes")	\$ 7,500.00

****PAYMENT IS DUE UPON RECEIPT****

For Remittance by Mail:
ARMSTRONG TEASDALE LLP
Department Number 478150
P.O. Box 790100
St. Louis, MO 63179-9933

For Remittance by Wire Transfer:
Bank Name/Address: Cass Bank & Trust Company
13001 Hollenberg Drive
Bridgeton, MO 63044

ABA Routing #: 081000605
Account #: 1148842
Account Name: Armstrong Teasdale LLP, Attn: Anne Simek

Please send a payment notification e-mail to: ASIMEK@armstrongteasdale.com



ARMSTRONG TEASDALE LLP

ONE METROPOLITAN SQUARE, SUITE 2600
ST. LOUIS, MISSOURI 63102-2740
PHONE: 314.621.5070
FAX: 314.621-5065

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ATTORNEYS AT LAW

Loughborough Commons, LLC
c/o the DESCO Group
25 North Brentwood Boulevard
St. Louis, MO 63105

November 27, 2007
Invoice No. 1175154
File No. 18972 / 7

**RE: \$135,000 LOUGHBOROUGH COMMONS COMMUNITY IMPROVEMENT DISTRICT
SUBORDINATE TAX-EXEMPT COMMUNITY IMPROVEMENT NOTES,
SUBORDINATE (THE "SUBORDINATE NOTES")**

For legal services rendered, including out-of-pocket expenses incurred, in connection with serving as Bond Counsel in the above issuance.

Total \$ 7,500.00

****PAYMENT IS DUE UPON RECEIPT****

For Remittance by Mail:
ARMSTRONG TEASDALE LLP
Department Number 478150
P.O. Box 790100
St. Louis, MO 63179-9933

For Remittance by Wire Transfer:
Bank Name/Address: Cass Bank & Trust Company
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ABA Routing #: 081000605
Account #: 1148842
Account Name: Armstrong Teasdale LLP, Attn: Anne Simek

Please send a payment notification e-mail to: ASIMEK@armstrongteasdale.com

Certificate of Reimbursable Project Costs

To: Loughborough Commons Community Improvement District
c/o Michael B. Sullivan, Chair
25 North Brentwood Blvd.
St. Louis, Missouri 63105

Re: The Loughborough Commons Community Improvement District

Terms not otherwise defined herein shall have the meaning ascribed to such terms in the Development Agreement dated as of December 22, 2006, by and between the Loughborough Commons Community Improvement District (the "*District*") and Loughborough Commons, L.L.C. (the "*Developer*"), as may be further amended. In connection with the Agreement, the undersigned hereby states and certifies that:

1. Each item listed on Attachment I hereto is a Reimbursable Project Cost and was incurred in connection with the acquisition, construction and implementation of the Project.

2. These costs have been paid by the Developer and are Reimbursable Project Costs under the Agreement.

3. Each item listed on Attachment I has not previously been paid or reimbursed from CID Revenues and no part thereof has been included in any other certificate previously filed with the District.

4. There has not been filed with or served upon the Developer any notice of any lien, right of lien or attachment upon or claim affecting the right of any person, firm or corporation to receive payment of the amounts stated in this request, except to the extent any such lien is being contested in good faith.

5. All necessary permits and approvals required for the portion of the Project for which this certificate relates have been issued and are in full force and effect.


6. All work for which payment or reimbursement is requested has been performed in a good and workmanlike manner and in accordance with the Agreement.

Dated this 31st day of October, 2008.

DEVELOPER:

LOUGHBOROUGH COMMONS, L.L.C.

By: The DESCO Group, Inc., its Manager

By: 
Name: Mark J. Schmuck
Title: President

Approved for Payment this 31st day of October, 2008.

DISTRICT:

LOUGHBOROUGH COMMONS COMMUNITY
IMPROVEMENT DISTRICT

By: 

Name: Michael B. Sullivan

Title: Chair of the Board of Directors

**ATTACHMENT I
TO CERTIFICATE OF REIMBURSABLE PROJECT COSTS**

REQUEST NO. 3

DATED OCTOBER 31, 2008

Requisition Request No. 3:

\$7,500 (plus accrued interest)

(SEE ATTACHED)



ARMSTRONG TEASDALE LLP

ONE METROPOLITAN SQUARE, SUITE 2600
ST. LOUIS, MISSOURI 63102-2740
PHONE: 314.621.5070
FAX: 314.621-5065

MISSOURI | KANSAS | ILLINOIS | WASHINGTON, DC | SHANGHAI | SYDNEY

FED ID: 43-1274026

ATTORNEYS AT LAW

Loughborough Commons, LLC
c/o the DESCO Group
25 North Brentwood Boulevard
St. Louis, MO 63105

November 27, 2007
Invoice No. 1175154
File No. 18972 / 7

REMITTANCE COPY
Please return with payment

MATTER	MATTER NAME	TOTAL
7	Re: \$135,000 Loughborough Commons Community Improvement District Subordinate Tax-Exempt Community Improvement Notes, Subordinate (the "Subordinate Notes")	\$ 7,500.00

****PAYMENT IS DUE UPON RECEIPT****

For Remittance by Mail:
ARMSTRONG TEASDALE LLP
Department Number 478150
P.O. Box 790100
St. Louis, MO 63179-9933

For Remittance by Wire Transfer:
Bank Name/Address: Cass Bank & Trust Company
13001 Hollenberg Drive
Bridgeton, MO 63044

ABA Routing #: 081000605
Account #: 1148842
Account Name: Armstrong Teasdale LLP, Attn: Anne Simek

Please send a payment notification e-mail to: ASIMEK@armstrongteasdale.com



ARMSTRONG TEASDALE LLP

ONE METROPOLITAN SQUARE, SUITE 2600
ST. LOUIS, MISSOURI 63102-2740
PHONE: 314.621.5070
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FED ID: 43-1274026

ATTORNEYS AT LAW

Loughborough Commons, LLC
c/o the DESCO Group
25 North Brentwood Boulevard
St. Louis, MO 63105

November 27, 2007
Invoice No. 1175154
File No. 18972 / 7

**RE: \$135,000 LOUGHBOROUGH COMMONS COMMUNITY IMPROVEMENT DISTRICT
SUBORDINATE TAX-EXEMPT COMMUNITY IMPROVEMENT NOTES,
SUBORDINATE (THE "SUBORDINATE NOTES")**

For legal services rendered, including out-of-pocket expenses incurred, in connection with serving as Bond Counsel in the above issuance.

Total \$ 7,500.00

****PAYMENT IS DUE UPON RECEIPT****

For Remittance by Mail:
ARMSTRONG TEASDALE LLP
Department Number 478150
P.O. Box 790100
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ABA Routing #: 081000605
Account #: 1148842
Account Name: Armstrong Teasdale LLP, Attn: Anne Simek

Please send a payment notification e-mail to: ASIMEK@armstrongteasdale.com

RESOLUTION NO. 2008-06

A RESOLUTION OF THE LOUGHBOROUGH COMMONS COMMUNITY IMPROVEMENT DISTRICT AUTHORIZING THE ISSUANCE OF A SUBORDINATED COMMUNITY IMPROVEMENT REVENUE NOTE, SERIES 2008, AND AUTHORIZING THE EXECUTION OF A SUPPLEMENT TO THE TRUST INDENTURE

WHEREAS, pursuant to the Community Improvement District Act, Sections 67.1401 to 67.1571 of the Revised Statutes of Missouri, as amended (the "CID Act"), the City of St. Louis, Missouri (the "City") adopted Ordinance No. 67088 on May 17, 2006 (the "Ordinance"), establishing the Loughborough Commons Community Improvement District (the "District") for the purpose of financing certain community improvements referenced in the Ordinance (the "Project"); and

WHEREAS, the District has previously authorized the issuance of its Community Improvement Revenue Notes, Series 2007 in the aggregate outstanding principal amount of not to exceed \$5,000,000, exclusive of costs of issuance and accrued interest (the "CID Notes") to Loughborough Commons, L.L.C., a Missouri limited liability company (the "Developer") in order to reimburse the Developer for costs incurred in connection with the Project (as defined in the Original Indenture) in accordance with and pursuant to the CID Act and that certain Trust Indenture dated as of January 1, 2007 by and between the District and the Trustee (the "Original Indenture"); and

WHEREAS, the City has entered into a Redevelopment Agreement dated as of March 30, 2005 (the "Redevelopment Agreement") with the Developer, in order to provide for a redevelopment project, as described therein, which includes the Project; and

WHEREAS, pursuant to the Redevelopment Agreement and a Trust Indenture dated as of November 1, 2007 between The Industrial Development Authority of the City of St. Louis (the "Authority") and UMB Bank, N.A., as trustee (the "Bond Indenture"), the Authority has issued its Tax Increment and Community Improvement Refunding Revenue Bonds, Series 2007 (Loughborough Commons Redevelopment Project) (the "Bonds") in the aggregate principal amount of \$18,430,000 for the purpose of, among other things, refunding a portion of the then-outstanding CID Notes and all accrued interest thereon to the date of payment (the "Refunding"); and

WHEREAS, following the Refunding, the District issued a replacement note to the owner thereof in the principal amount of \$135,000, which replacement note is specifically subordinate and junior to the Bonds (herein referred to as the "Series 2007 Subordinate Note"), such that no payment of principal or interest on the Series 2007 Subordinate Note may be made while any Bonds are Outstanding (as defined in the Bond Indenture), pursuant to Resolution No. 2007-19 adopted by the Board of Directors of the District on November 26, 2007 and that certain First Supplemental Trust Indenture dated as of November 1, 2007, which amended and supplemented the Original Indenture; and

WHEREAS, in connection with the issuance of the Series 2008 Subordinate Note (as defined below) the District desires to amend and restate the Series 2007 Subordinate Note in order to clarify certain language therein relating to accrual of interest thereon; and

WHEREAS, under the terms of that certain Development Agreement dated as of December 22, 2006 between the Developer and the District, the District has agreed to reimburse the Developer for Reimbursable Project Costs (as defined therein); and

WHEREAS, the Developer has submitted Reimbursable Project Costs in the amount of \$7,500 to the District, and the District has approved such costs and intends to reimburse the Company through the issuance of a subordinate note in the principal amount of \$7,500 (plus accrued interest) (the "Series 2008 Subordinate Note") on a parity with the Series 2007 Subordinate Note; and

WHEREAS, the Series 2008 Subordinate Note is specifically subordinate and junior to the Bonds, such that no payment of principal of or interest on the Series 2008 Subordinate Note may be made while any Bonds are Outstanding (as defined in the Bond Indenture); and

WHEREAS, the Series 2008 Subordinate Note is to be issued pursuant to a supplement to the Original Indenture as required by Article X of the Original Indenture (the "Second Supplemental Indenture"); and

WHEREAS, the Developer, as registered owner (the "Owner") of 100% of the outstanding Series 2007 Subordinate Note, has consented in writing to the execution of the Second Supplemental Indenture and the Amended and Restated Series 2007 Subordinate Note; and

WHEREAS, pursuant to Section 67.1451.8 of the CID Act, the board of directors of a community improvement district is authorized to act on behalf of the District.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE LOUGHBOROUGH COMMONS COMMUNITY IMPROVEMENT DISTRICT AS FOLLOWS:

1. The District does hereby authorize the execution of a supplement to the Original Indenture by and between the District and the Trustee, the Second Supplemental Indenture, to provide for the issuance of the Series 2008 Subordinate Note and the subordination thereof, pursuant to the form attached hereto as Exhibit A, together with such amendments thereto as the Chairman may deem necessary or appropriate.

2. The District does hereby approve the execution, delivery and sale by the District to Developer of the Series 2008 Subordinate Note in the aggregate principal amount of \$7,500 (plus accrued interest), pursuant to the form attached hereto as Exhibit B.

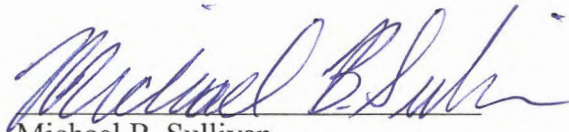
3. The District does hereby approve the execution and delivery of the Amended and Restated Series 2007 Subordinate Note pursuant to the form attached hereto as Exhibit C.

4. The District shall, and the officials, agents and employees of the District 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 District with respect to the execution of a supplement to the Original Indenture, the Second Supplemental Indenture, and the issuance of the Series 2008 Subordinate Note.

5. This Resolution shall take effect and be in full force from and after the date of its adoption by the Board of Directors.

This Resolution was adopted at the meeting of the Board of Directors of the District duly called and held on this date, with an effective date of October 1, 2008. This Resolution shall be filed by the Custodian of Records of the District with the minutes of the meetings of the Board of Directors.

Approved this October 31, 2008.



Michael B. Sullivan,
Chairman of the Board of Directors

(SEAL)

ATTEST:



Michael L. Anthon,
Secretary of the Board of Directors

EXHIBIT A

SECOND SUPPLEMENTAL INDENTURE

SECOND SUPPLEMENTAL TRUST INDENTURE

Dated as of October 1, 2008

between

**LOUGHBOROUGH COMMONS
COMMUNITY IMPROVEMENT DISTRICT**

and

**UMB BANK, N.A.,
As Trustee**

**\$7,500
(Plus accrued interest)
SUBORDINATE COMMUNITY IMPROVEMENT NOTE
SERIES 2008**

SECOND SUPPLEMENTAL TRUST INDENTURE

THIS SECOND SUPPLEMENTAL TRUST INDENTURE (the "*Second Supplemental Indenture*"), made and entered into as of October 1, 2008, by and between **LOUGHBOROUGH COMMONS COMMUNITY IMPROVEMENT DISTRICT**, a community improvement district and political subdivision duly organized and existing under the laws of the State of Missouri (the "*District*"), and **UMB BANK, N.A.**, St. Louis, Missouri, a national banking association duly organized and existing and authorized to accept and execute trusts of the character herein set out under the laws of the United States of America and having a corporate trust office located in St. Louis, Missouri, as trustee (the "*Trustee*"), amends and supplements that certain Trust Indenture dated as of January 1, 2007 by and between the District and the Trustee (the "*Original Indenture*").

RECITALS:

WHEREAS, on March 10, 2006, the City of St. Louis, Missouri (the "*City*") adopted Ordinance Number 67088 which, among other things, established the Loughborough Commons Community Improvement District (the "*District*") as a political subdivision pursuant to and in accordance with the Missouri Community Improvement District Act, Sections 67.1401 through 67.1571, Revised Statutes of Missouri, as amended (the "*CID Act*");

WHEREAS, the District has previously authorized the issuance of its Tax-Exempt Community Improvement Notes, Series 2007 in the aggregate principal amount of not to exceed \$5,000,000, exclusive of costs of issuance and accrued interest (the "*CID Notes*") to the Developer in order to reimburse the Developer for costs incurred in connection with the Project (as defined in the Original Indenture), in accordance with and pursuant to the CID Act; and

WHEREAS, the City has entered into a Redevelopment Agreement dated as of March 30, 2005 (the "*Redevelopment Agreement*") with the Developer, in order to provide for a redevelopment project, as described therein, which includes the Project (as defined in the Original Indenture); and

WHEREAS, pursuant to the Redevelopment Agreement and a Trust Indenture dated as of November 1, 2007 between The Industrial Development Authority of the City of St. Louis (the "*Authority*") and UMB Bank, N.A., as trustee (the "*Bond Indenture*"), the Authority has issued its Tax Increment and Community Improvement Refunding Revenue Bonds, Series 2007 (Loughborough Commons Redevelopment Project) (the "*Bonds*") in the aggregate principal amount of \$18,430,000 for the purpose of, among other things, refunding a portion of the then-outstanding CID Notes and all accrued interest thereon to the date of payment (the "*Refunding*"); and

WHEREAS, following the Refunding, the District issued a replacement note to the owner thereof for the unrefunded principal of the then-outstanding CID Notes in the principal amount of \$135,000, which replacement note is specifically subordinate and junior to the Bonds (herein referred to as the "*Series 2007 Subordinate Note*"), pursuant to Resolution No. 2007-19 adopted by the Board of Directors of the District on November 26, 2007 (the "*Subordinate Note Resolution*") and that certain First Supplemental Trust Indenture dated as of November 1, 2007 (the "*First Supplemental Indenture*"), which amended and supplemented the Original Indenture; and

WHEREAS, under the terms of that certain Development Agreement dated as of December 22, 2006 between the Developer and the District, the District has agreed to reimburse the Developer for Reimbursable Project Costs (as defined therein); and

WHEREAS, the Developer has submitted Reimbursable Project Costs in the amount of \$7,500 to the District, and the District has approved such costs and intends to reimburse the Developer through the

issuance of a subordinate note in the principal amount of \$7,500 (plus accrued interest) (the “*Series 2008 Subordinate Note*”) on a parity with the Series 2007 Subordinate Note; and

WHEREAS, the Series 2008 Subordinate Note is specifically subordinate and junior to the Bonds and is to be issued pursuant to this Second Supplemental Trust Indenture (the “*Second Supplemental Indenture*”) (the Original Indenture as amended by the First Supplemental Indenture, this Second Supplemental Indenture and as may be further amended from time to time, the “*Indenture*”); and

WHEREAS, the District intends to amend and restate the Series 2007 Subordinate Note in order to clarify certain language regarding accrual of interest thereon (the “*Amended and Restated Series 2007 Subordinate Note*”); and

WHEREAS, on October 31, 2008, the Board of Directors of the District adopted Resolution No. 2008-006 (the “*Series 2008 Note Resolution*”), authorizing the District to enter into this Second Supplemental Indenture and to issue the Series 2008 Subordinate Note and execute and deliver the Amended and Restated Series 2007 Subordinate Note; and

WHEREAS, the Developer, as the registered owner (the “*Owner*”) of 100% of the outstanding CID Notes, has consented in writing to the execution and delivery of this Second Supplemental Indenture as required by **Article X** of the Indenture; and

WHEREAS, pursuant to the CID Act, the Series 2008 Note Resolution, the Indenture, and with the written consent of the Owner pursuant to **Article X** of the Indenture, the District is authorized to (i) enter into this Second Supplemental Indenture, (ii) issue the Series 2008 Subordinate Note for the purpose of providing funds to reimburse the Developer for advancing certain costs, and (iii) issue the Amended and Restated Series 2007 Subordinate Note; and

WHEREAS, all things necessary to make the Series 2008 Subordinate Note, when authenticated by the Trustee and issued as in the Indenture provided, the valid, legal and binding obligations of the District, and to constitute the Indenture a valid, legal and binding pledge and assignment of the property, rights, interest and revenues herein made for the security of the payment of the principal of, and redemption premium, if any, and interest on the Series 2008 Subordinate Note, have been done and performed, and the execution and delivery of this Second Supplemental Indenture and the execution and issuance of the Series 2008 Subordinate Note, subject to the terms hereof, have in all respects been duly authorized;

NOW, THEREFORE, THIS SECOND SUPPLEMENTAL TRUST INDENTURE WITNESSETH, and it is hereby expressly declared, covenanted and agreed by and between the parties hereto, that the Series 2008 Subordinate Note issued and secured hereunder is to be issued, authenticated and delivered and that 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 expressed in the Indenture and as provided herein, and the District does hereby agree and covenant with the Trustee and with the Owner of the Series 2008 Subordinate Note as follows:

ARTICLE I
DEFINITIONS AND RULES OF CONSTRUCTION

Section 101. Definitions of Words and Terms. Unless otherwise defined herein, capitalized words and terms used herein shall have the meanings ascribed to such terms in the Indenture. Section 101 of the Indenture is hereby amended as follows:

(a) The definitions of “**Arbitrage Certificate**,” “**Note or Notes**” and “**Subordinate Note**” are deleted. The following new definitions are hereby added:

“**Arbitrage Certificate**” means, collectively, each Non-Arbitrage Certificate of the District relating to a series of Notes.

“**Note or Notes**” means initially, the CID Notes; following repayment of \$3,790,000 principal amount thereof plus accrued interest thereon to the date of payment, however, “*Note*” or “*Notes*” shall mean the Subordinate Notes.

“**Subordinate Notes**” means, collectively, the Series 2007 Note and the Series 2008 Note.

(b) The Indenture is further amended to include the following new terms:

“**Indenture**” shall have the meaning assigned to such term in the Recitals hereof.

“**Series 2007 Note**” means the District’s \$135,000 principal amount Amended and Restated Subordinate Tax-Exempt Community Improvement Note, Series 2007, authorized by the Subordinate Note Resolution and the Indenture.

“**Series 2008 Note**” means the District’s \$7,500 (plus accrued interest) principal amount Subordinate Tax-Exempt Community Improvement Note, Series 2008, authorized by the Series 2008 Note Resolution and the Indenture.

“**Series 2008 Note Resolution**” means Resolution No. 2008-006 adopted by the Board of Directors of the District on October 31, 2008, authorizing, among other things, the issuance, sale and delivery of the Series 2008 Subordinate Note, and the execution of certain documents related thereto in accordance with Indenture.

Section 102. Rules of Construction. For all purposes of this Second Supplemental 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 and vice versa.

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

(c) The headings and captions herein are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Second Supplemental Indenture.

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

ARTICLE II
THE SUBORDINATE NOTE

Section 201. Authorization, Principal Amount and Series Designation. There is hereby authorized to be issued a Note entitled to the benefit, protection and security of the Indenture in the aggregate principal amount of Seven Thousand Five Hundred and 00/100 Dollars (\$7,500), plus accrued interest. Such Note shall be designated "Subordinate Tax-Exempt Community Improvement Note, Series 2008." The Subordinate Note is issuable in Authorized Denominations.

Section 202. Nature of Obligations; Parity with Series 2007 Note; Subordinate to Bonds. The Series 2008 Subordinate Note and the interest thereon shall be a special obligation of the District payable solely as to principal, premium, if any, and interest solely from the Pledged Revenues and other moneys pledged thereto and held by the Trustee pursuant to the Indenture on a parity with the Series 2007 Subordinate Note; provided that all Subordinate Notes shall be specifically subordinate and junior to the Bonds such that no payment of principal of or interest on the Subordinate Notes may be made while any Bonds are Outstanding (as defined in the Bond Indenture). No member, agent, employee, director elected official or officer of the District shall at any time or under any circumstances be individually or personally liable under the Indenture for anything done or omitted to be done by the District thereunder. The Series 2008 Subordinate Note and the interest thereon shall not constitute a debt or liability of the District, the City of St. Louis, Missouri, the State of Missouri or any political subdivision thereof within the meaning of any constitutional or statutory debt limitation or restriction.

Section 203. Description of the Series 2008 Subordinate Note; Restrictions on Transfer.

(a) The Series 2008 Subordinate Note, upon original issuance, is to be issued as a single note in certificated form. The Series 2008 Subordinate Note shall be issued in substantially the form of **Exhibit A** hereto, and shall be registered on the Register in the name of or as directed by the purchaser thereof. The Series 2008 Subordinate Note may only be purchased by or transferred to an Approved Investor and only upon receipt and approval by the District of a letter executed by the proposed purchaser in substantially the form of **Exhibit C** to the Indenture. Subject to the limitations of the preceding sentence, the Series 2008 Subordinate Note may be transferred only upon the Register upon surrender thereof to the Trustee duly endorsed for transfer or accompanied by an assignment duly executed by the Owner or his attorney or legal representative in such form as shall be satisfactory to the Trustee. Upon any such transfer, the District shall execute and the Trustee shall authenticate and deliver in exchange for such Note a new fully registered Series 2008 Subordinate Note, registered in the name of the transferee, of the same series and in any denomination or denominations authorized by the Indenture.

(b) The Series 2008 Subordinate Note shall be dated, numbered and bear interest as provided in the Indenture and shall be in Authorized Denominations equal to the outstanding principal amount thereof. Such Series 2008 Subordinate Note shall mature on the Maturity Date (subject to prior redemption as in **Article III** of the Indenture).

(c) When the Series 2008 Subordinate Note shall have been executed, authenticated and registered as required by the Indenture and upon satisfaction of the requirements of **Section 205(d)** thereof, the Trustee shall deliver the Series 2008 Subordinate Note to or upon the order of the Developer, as the purchaser thereof.

Section 204. Evidence of Principal Payments on Series 2008 Subordinate Note. The payment of principal of the Series 2008 Subordinate Note on each Payment Date shall be noted on the Series 2008 Subordinate Note on **Schedule A** thereto. The Series 2008 Subordinate Note and the original **Schedule A** thereto shall be held by the Trustee in trust, unless otherwise directed in writing by the Owner thereof. If the Series 2008 Subordinate Note is held by the Trustee, the Trustee shall, on each Interest Payment Date, send a revised copy of **Schedule A** via facsimile to the Owner and the District. Absent manifest error, the

amounts shown on **Schedule A** held by the Trustee shall be conclusive evidence of the principal amount paid on the Series 2008 Subordinate Notes.

Section 205. Amended and Restated Series 2007 Subordinate Note. The District shall execute and the Trustee shall authenticate and deliver to the Developer in exchange for the Series 2007 Subordinate Note a new fully registered Amended and Restated Series 2007 Subordinate Note, in substantially the form of **Exhibit A** hereto. The Amended and Restated Series 2007 Subordinate Note shall be executed, delivered, and secured pursuant to the Indenture and shall bear such dates, shall mature at such times and in the amounts, shall be in such denominations, shall bear interest at such rate, shall be subject to redemption, shall have such other terms and provisions, and shall be executed, authenticated, and delivered in such manner and subject to such provisions, covenants, and agreements, as are set forth in the Indenture.

ARTICLE III **REDEMPTION OF SERIES 2008 SUBORDINATE NOTE**

Section 301. Redemption of Series 2008 Subordinate Note. The Series 2008 Subordinate Note shall be subject to redemption as provided in **Article III** of the Indenture.

ARTICLE IV **FORM OF NOTES**

Section 401. Form of Subordinate Notes. Exhibit A to the Original Indenture is hereby deleted in its entirety, and is replaced with **Exhibit A** hereto.

ARTICLE V **MISCELLANEOUS**

Section 501. Authority for this Second Supplemental Indenture. This Second Supplemental Indenture is authorized pursuant to the provisions of and in accordance with **Article X** of the Indenture. Unless modified or amended by the terms of this Second Supplemental Indenture, all other provisions of the Indenture remain in full force and effect. All other terms and provisions of the Indenture hereby ratified and confirmed.

Section 502. Execution in Counterparts. This Second Supplemental 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 503. Severability. If any provision in the Second Supplemental Indenture shall be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 504. Governing Law. This Second Supplemental Indenture shall be governed by and construed in accordance with the laws of the State of Missouri.

[The remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, Loughborough Commons Community Improvement District has caused this Second Supplemental Trust Indenture to be signed in its name and behalf by its Chair or Vice Chair and its corporate seal to be hereunto affixed, imprinted or reproduced and attested by its Secretary or Assistant Secretary, as of the day first above written.

**LOUGHBOROUGH COMMONS COMMUNITY
IMPROVEMENT DISTRICT**

By: 
Michael B. Sullivan, Chairman

(SEAL)

ATTEST:



Michael Anthon, Secretary

IN WITNESS WHEREOF, UMB Bank, N.A., has caused this Second Supplemental Trust Indenture to be signed in its name and behalf by one of its duly authorized officers and its corporate seal to be hereunto affixed and attested by one of its duly authorized officers as of the day first above written.

**UMB BANK, N.A.
AS TRUSTEE**

By: _____
Victor Zarrilli, Vice President

(SEAL)

ATTEST:

Name: _____
Title: _____

2335345.2

EXHIBIT A
FORM OF NOTES

EXHIBIT B

SERIES 2008 SUBORDINATE NOTE

THIS NOTE OR ANY PORTION HEREOF MAY BE TRANSFERRED, ASSIGNED OR NEGOTIATED ONLY AS PROVIDED IN THE HEREIN DESCRIBED INDENTURE.

**UNITED STATES OF AMERICA
STATE OF MISSOURI**

Registered
No. R-3

Registered
\$7,500.00
(plus accrued interest)

**LOUGHBOROUGH COMMONS COMMUNITY IMPROVEMENT DISTRICT
TAX-EXEMPT SUBORDINATE COMMUNITY IMPROVEMENT REVENUE NOTE
SERIES 2008**

<u>Rate of Interest:</u>	<u>Maturity Date:</u>	<u>Dated Date:</u>	<u>CUSIP No.</u>
Variable (as set forth herein) (Initially, ____%)	January 1, 2027	November <i>October 31</i> , 2008	N/A

REGISTERED OWNER: LOUGHBOROUGH COMMONS, L.L.C.

PRINCIPAL AMOUNT: SEE SCHEDULE A HERETO.

LOUGHBOROUGH COMMONS COMMUNITY IMPROVEMENT DISTRICT, a community improvement district and an incorporated political subdivision duly organized and validly existing under the Constitution and laws of the State of Missouri (the "*District*"), for value received, hereby promises to pay to the Registered Owner shown above, or registered assigns, the outstanding Principal Amount shown from time to time on **Schedule A** attached hereto on the Maturity Date shown above and to pay interest thereon from the Dated Date shown above or from the most recent Interest Payment Date to which interest has been paid or duly provided for. This Note shall bear interest at a variable rate per annum equal to the Prime Rate determined as of the date of issuance of this Note and adjusted on each Interest Payment Date (as defined below) thereafter. The initial rate of interest is _____ percent (____%) per annum, commencing on the Dated Date shown above. Interest shall be payable semiannually on January 1 and July 1 in each year (each, a "*Interest Payment Date*"), beginning on the first Interest Payment Date following the date that the hereinafter referred to Bonds are paid in full. Interest shall be compounded semiannually on each Interest Payment Date until paid. Interest shall be calculated on the basis of a 360-day year of twelve 30-day months. "*Prime Rate*" means the prime rate reported in the "Money Rates" column or any successor column of The Wall Street Journal, currently defined therein as the base rate on corporate loans posted by at least 75% of the nation's 30 largest banks. If The Wall Street Journal ceases publication of the Prime Rate, the "*Prime Rate*" shall mean the "prime rate" or "base rate" announced by the Trustee, or any successor thereto.

Except as otherwise provided herein, the capitalized terms herein shall have the meanings as provided in the Indenture (as hereinafter defined).

The principal of this Note shall be paid at maturity or upon earlier redemption upon presentation and surrender of this Note at the principal payment office or such other designated office of the Trustee (as hereinafter defined) to the person in whose name this Note is registered on the Register at the maturity or redemption date thereof. The interest payable on this Note on any Interest Payment Date shall be paid by UMB Bank, N.A., St. Louis, Missouri (the "Trustee") to the person in whose name this Note is registered on the Register at the close of business on the fifteenth day (whether or not a Business Day) of the calendar month next preceding such Interest Payment Date. Such interest shall be payable (a) by check or draft mailed by the Trustee to the address of such registered Owner shown on the Register or (b) in the case of a principal or interest payment to any registered owner of either (i) all of the Notes Outstanding, or (ii) \$50,000 or more in aggregate principal amount of Notes, by electronic transfer to such registered Owner upon written notice given to the Trustee not less than five days prior to the Record Date for such interest and signed by such registered Owner, containing the electronic transfer instructions including the name of the bank (which shall be in the continental United States), ABA routing number and account name and account number to which such Registered Owner wishes to have such transfer directed. The principal or redemption price of and interest on the Notes shall be payable by check or draft in any coin or currency that, on the respective dates of payment thereof, is legal tender for the payment of public and private debts.

This Note is one of an authorized series of fully registered notes of the District designated "Loughborough Commons Community Improvement District, Tax-Exempt Subordinate Community Improvement Revenue Notes, Series 2008," in the aggregate principal amount of \$7,500, plus accrued interest (the "Notes"). The Series 2008 Notes are being issued on a parity with the District's Tax-Exempt Subordinate Community Improvement Revenue Note, issued in an aggregate principal amount of \$135,000 (the "Series 2007 Subordinate Note") under the Indenture.

The Notes are being issued pursuant to a Trust Indenture dated as of January 1, 2007, as supplemented and amended by the that certain First Supplemental Trust Indenture dated as of November 1, 2007 (the "First Supplemental Indenture") between the District and the Trustee and the Second Supplemental Trust Indenture dated as of September 1, 2008 (the "Second Supplemental Indenture") between the District and the Trustee (the Original Indenture as amended by the First Supplemental Indenture, the Second Supplemental Indenture and as may be further amended from time to time, is referred to herein as the "Indenture"), for the purpose of providing funds to pay certain Project Costs relating to the issuance of the Notes, all under the authority of and in full compliance with the Constitution and laws of the State of Missouri, including particularly the Community Improvement District Act, Sections 67.1401 through 67.1571, inclusive, of the Revised Statutes of Missouri, as amended (the "CID Act").

The Notes constitute special, limited obligations of the District payable as to principal, premium, if any, and interest solely from the Pledged Revenues and other moneys pledged thereto and held by the Trustee pursuant to the Indenture. The Notes shall not constitute debts or liabilities of the District, the City, the State of Missouri or any political subdivision thereof within the meaning of any constitutional or statutory debt limitation or restriction.

The Notes are expressly subordinate and junior to those certain Tax Increment and Community Improvement Refunding Revenue Bonds, Series 2008 (Loughborough Commons Redevelopment Project) (the "Bonds") issued by The Industrial Development Authority of the City of St. Louis, Missouri ("Authority") pursuant to a trust indenture dated as of September 1, 2008 between the Authority and UMB Bank, N.A., as trustee (the "Bond Indenture"), such that no payment of principal of or interest on the Subordinate Note may be made while any Bonds are Outstanding (as defined in the Bond Indenture).

The Notes are subject to redemption as follows:

(a) *Optional Redemption.* The Notes are subject to optional redemption by the District in whole or in part at any time, at a redemption price equal to 100% of the principal amount of the Notes to be redeemed, plus accrued interest to the redemption date.

(b) *Special Mandatory Redemption.*

(1) The Notes are subject to special mandatory redemption by the District on any Interest Payment Date, at the redemption price of 100% of the principal amount being redeemed, together with accrued interest thereon to the date fixed for redemption, in an amount equal to the amount which is on deposit in the Redemption Account of the Debt Service Fund 40 days (10 days if all of the Notes are owned by the Developer and, in each case if such date is not a Business Day, the immediately preceding Business Day) prior to each Interest Payment Date (or if such date is not a Business Day, the immediately preceding Business Day).

(2) The Notes are subject to special mandatory redemption by the District, in whole but not in part, on any date in the event that moneys in the Special Trust Fund, the Revenue Fund or the Debt Service Fund are sufficient to redeem all of the Notes at a redemption price of 100% of the Notes Outstanding, together with accrued interest thereon to the date fixed for redemption.

Notes shall be redeemed only in Authorized Denominations. When less than all of the Outstanding Notes are to be redeemed and paid prior to maturity, such Notes shall be selected by the Trustee in Authorized Denominations in such equitable manner as the Trustee may determine.

Unless waived by any Owner of Notes to be redeemed, official notice of any redemption of any Note shall be given by the Trustee on behalf of the District by mailing a copy of an official redemption notice by first class mail, postage prepaid, at least 30 days (5 days if all of the Notes are owned by the Developer) prior to the date fixed for redemption to the Owner of the Note or Notes to be redeemed at the address shown on the Register; provided, however, that failure to give such notice by mailing as aforesaid to any Owner or any defect therein as to any particular Note shall not affect the validity of any proceedings for the redemption of any Notes. Notice of redemption having been given as aforesaid, the Notes or portions of Notes so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the District defaults in the payment of the redemption price) such Notes or portions of Notes shall cease to bear interest, shall no longer be secured by the Indenture and shall not be deemed to be Outstanding under the provisions of the Indenture. Any defect in any notice or the failure of any parties to receive any notice of redemption shall not cause any Note called for redemption to remain Outstanding.

The District, the elected officials, officers and employees of the District and any person executing the Notes shall not be personally liable for such obligations by reason of the issuance thereof.

The Notes are issuable in the form of fully registered Notes without coupons in the denomination of \$5,000 or any multiple of \$1.00 in excess thereof.

This Note may be transferred or exchanged, as provided in the Indenture, only upon the books for the registration, transfer and exchange thereof (the "*Register*") kept by the Trustee, upon surrender of this Note together with a written instrument of transfer satisfactory to the Trustee duly executed by the registered Owner or the registered Owner's duly authorized agent. THE OWNER HEREOF EXPRESSLY AGREES, BY SUCH OWNER'S ACCEPTANCE HEREOF, THAT THE RIGHT TO TRANSFER, ASSIGN OR NEGOTIATE THIS NOTE SHALL BE LIMITED TO TRANSFER,

ASSIGNMENT OR NEGOTIATION TO APPROVED INVESTORS, AS THAT TERM IS DEFINED IN THE INDENTURE. Accordingly, this Note will be transferable only upon prior delivery to the Trustee of a letter in substantially the form attached to the Indenture as Exhibit C, signed by the transferee, showing that such transferee is an Approved Investor. After the Trustee receives the foregoing statement, a new Note of the same maturity and in the same principal amount outstanding as the Note which was presented for transfer or exchange shall be issued to the transferee in exchange therefor as provided in the Indenture, and upon payment of the charges therein prescribed. The District and the Trustee may deem and treat the person in whose name this Note is registered on the Register as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or redemption price hereof and interest due hereon and for all other purposes.

This Note shall not be valid or binding on the District or be entitled to any security or benefit under the Indenture until the Certificate of Authentication hereon has been executed by the Trustee.

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


ORAL AGREEMENTS OR COMMITMENTS TO LOAN MONEY, EXTEND CREDIT, OR TO FOREBEAR FROM ENFORCING REPAYMENT OF A DEBT INCLUDING PROMISES TO EXTEND OR RENEW SUCH DEBT ARE NOT ENFORCEABLE. TO PROTECT YOU (BORROWER) AND US (LENDER) FROM MISUNDERSTANDING OR DISAPPOINTMENT, ANY AGREEMENTS WE REACH COVERING SUCH MATTERS ARE CONTAINED IN THIS WRITING, WHICH IS THE COMPLETE AND EXCLUSIVE STATEMENT OF THE AGREEMENT BETWEEN US, EXCEPT AS WE MAY LATER AGREE IN WRITING TO MODIFY IT.

[REMAINDER OF PAGE BLANK; SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, LOUGHBOROUGH COMMONS COMMUNITY IMPROVEMENT DISTRICT has executed this Note by causing it to be signed by the manual or facsimile signature of its Chairman and attested by the manual or facsimile signature of its Secretary, and its official seal to be affixed or imprinted hereon, and this Note to be dated as of the Dated Date shown above.

Registration Date: _____

**LOUGHBOROUGH COMMONS
COMMUNITY IMPROVEMENT
DISTRICT**

By: 
Michael B. Sullivan,
Chairman of the Board of Directors

UMB BANK, N.A.,
as Trustee

(SEAL)

ATTEST:

By: _____
Authorized Signatory

By:  _____
Secretary

EXHIBIT C

AMENDED AND RESTATED
SERIES 2007 SUBORDINATE NOTE

**THIS NOTE OR ANY PORTION HEREOF MAY BE TRANSFERRED, ASSIGNED OR
NEGOTIATED ONLY AS PROVIDED IN THE HEREIN DESCRIBED INDENTURE.**

**UNITED STATES OF AMERICA
STATE OF MISSOURI**

Registered
No. R-3

Registered
\$135,000.00 (exclusive of
Costs of Issuance and accrued interest)

**LOUGHBOROUGH COMMONS COMMUNITY IMPROVEMENT DISTRICT
AMENDED AND RESTATED
TAX-EXEMPT SUBORDINATE COMMUNITY IMPROVEMENT REVENUE
NOTE, SERIES 2007**

<u>Rate of Interest:</u>	<u>Maturity Date:</u>	<u>Dated Date:</u>	<u>CUSIP No.</u>
Variable, as set forth herein (Initially, 7.50%)	November 1, 2027	November 27, 2007	N/A

REGISTERED OWNER: LOUGHBOROUGH COMMONS, L.L.C.

**PRINCIPAL AMOUNT: ONE HUNDRED THIRTY-FIVE THOUSAND DOLLARS
AND ZERO CENTS (\$135,000.00).**

LOUGHBOROUGH COMMONS COMMUNITY IMPROVEMENT DISTRICT, a community improvement district and an incorporated political subdivision duly organized and validly existing under the Constitution and laws of the State of Missouri (the "*District*"), for value received, hereby promises to pay to the Registered Owner shown above, or registered assigns, the outstanding Principal Amount shown from time to time on **Schedule A** attached hereto on the Maturity Date shown above and to pay interest thereon from the Dated Date shown above, and if applicable, from the most recent Interest Payment Date to which interest has been paid or duly provided for. This Note shall bear interest at a variable rate per annum equal to the Prime Rate determined as of the date of issuance of this Note and adjusted on each Interest Payment Date (as defined below) thereafter. The initial rate of interest is Seven and One Half Percent (7.50%) per annum, commencing on the Dated Date shown above. Interest shall be payable semiannually on January 1 and July 1 in each year (each, an "*Interest Payment Date*"), beginning on the first Interest Payment Date following the date that the hereinafter referred to Bonds are paid in full. Interest shall be compounded semiannually on each Interest Payment Date until paid, regardless of whether payments are being made hereunder. Interest shall be calculated on the basis of a 360-day year of twelve 30-day months. "*Prime Rate*" means the prime rate reported in the "Money Rates" column or any successor column of The Wall Street Journal, currently defined therein as the base rate on corporate loans posted by at least 75% of the nation's 30 largest banks. If The Wall Street Journal ceases publication of the Prime Rate, the "*Prime Rate*" shall mean the "prime rate" or "base rate" announced by the Trustee, or any successor thereto.

Except as otherwise provided herein, the capitalized terms herein shall have the meanings as provided in the Indenture (as hereinafter defined).

The principal of this Note shall be paid at maturity or upon earlier redemption upon presentation and surrender of this Note at the principal payment office or such other designated office of the Trustee (as hereinafter defined) to the person in whose name this Note is registered on the Register at the maturity or redemption date thereof. The interest payable on this Note on any Interest Payment Date shall be paid by UMB Bank, N.A., St. Louis, Missouri (the "Trustee") to the person in whose name this Note is registered on the Register at the close of business on the fifteenth day (whether or not a Business Day) of the calendar month next preceding such Interest Payment Date. Such interest shall be payable (a) by check or draft mailed by the Trustee to the address of such registered Owner shown on the Register or (b) in the case of a principal or interest payment to any registered owner of either (i) all of the Notes Outstanding, or (ii) \$50,000 or more in aggregate principal amount of Notes, by electronic transfer to such registered Owner upon written notice given to the Trustee not less than five days prior to the Record Date for such interest and signed by such registered Owner, containing the electronic transfer instructions including the name of the bank (which shall be in the continental United States), ABA routing number and account name and account number to which such Registered Owner wishes to have such transfer directed. The principal or redemption price of and interest on the Notes shall be payable by check or draft in any coin or currency that, on the respective dates of payment thereof, is legal tender for the payment of public and private debts.

This Note is one of an authorized series of fully registered notes of the District designated "Loughborough Commons Community Improvement District, Amended and Restated Tax-Exempt Subordinate Community Improvement Revenue Notes, Series 2007," in the aggregate principal amount of \$135,000, exclusive of Costs of Issuance and accrued interest (the "Series 2007 Notes"). The Series 2007 Notes are being issued on a parity with any subordinate community improvement revenue note issued by the District in the future under the Indenture, including the District's Tax-Exempt Subordinate Community Improvement Revenue Note, Series 2008, issued in an aggregate principal amount of \$7,500 (the "Series 2008 Notes") under the Indenture (the Series 2008 Notes and the Series 2007 Notes are together the "Notes").

The Notes are being issued pursuant to a Trust Indenture dated as of January 1, 2007, as supplemented and amended by the First Supplemental Trust Indenture dated as of November 1, 2007 (the "First Supplemental Indenture") between the District and the Trustee and the Second Supplemental Trust Indenture dated as of October 1, 2008 (the "Second Supplemental Indenture") between the District and the Trustee (the Original Indenture as amended by the First Supplemental Indenture, the Second Supplemental Indenture and as may be further amended from time to time, is referred to herein as the "Indenture"), for the purpose of providing funds to reimburse the Developer for costs incurred in connection with the Project, all under the authority of and in full compliance with the Constitution and laws of the State of Missouri, including particularly the Community Improvement District Act, Sections 67.1401 through 67.1571, inclusive, of the Revised Statutes of Missouri, as amended (the "CID Act").

The Notes constitute special, limited obligations of the District payable as to principal, premium, if any, and interest solely from the Pledged Revenues and other moneys pledged thereto and held by the Trustee pursuant to the Indenture. The Notes shall not constitute debts or liabilities of the District, the City, the State of Missouri or any political subdivision thereof within the meaning of any constitutional or statutory debt limitation or restriction.

The Notes are expressly subordinate and junior to those certain Tax Increment and Community Improvement Refunding Revenue Bonds, Series 2007 (Loughborough Commons Redevelopment Project)

(the "Bonds") issued by The Industrial Development Authority of the City of St. Louis, Missouri ("Authority") pursuant to a trust indenture dated as of November 1, 2007 between the Authority and UMB Bank, N.A., as trustee (the "Bond Indenture"), such that no payment of principal of or interest on the Subordinate Note may be made while any Bonds are Outstanding (as defined in the Bond Indenture).

The Notes are subject to redemption as follows:

(a) *Optional Redemption.* The Notes are subject to optional redemption by the District in whole or in part at any time, at a redemption price equal to 100% of the principal amount of the Notes to be redeemed, plus accrued interest to the redemption date.

(b) *Special Mandatory Redemption.*

(1) The Notes are subject to special mandatory redemption by the District on any Interest Payment Date, at the redemption price of 100% of the principal amount being redeemed, together with accrued interest thereon to the date fixed for redemption, in an amount equal to the amount which is on deposit in the Redemption Account of the Debt Service Fund 40 days (10 days if all of the Notes are owned by the Developer and, in each case if such date is not a Business Day, the immediately preceding Business Day) prior to each Interest Payment Date (or if such date is not a Business Day, the immediately preceding Business Day).

(2) The Notes are subject to special mandatory redemption by the District, in whole but not in part, on any date in the event that moneys in the Special Trust Fund, the Revenue Fund or the Debt Service Fund are sufficient to redeem all of the Notes at a redemption price of 100% of the Notes Outstanding, together with accrued interest thereon to the date fixed for redemption.

Notes shall be redeemed only in Authorized Denominations. When less than all of the Outstanding Notes are to be redeemed and paid prior to maturity, such Notes shall be selected by the Trustee in Authorized Denominations in such equitable manner as the Trustee may determine.

Unless waived by any Owner of Notes to be redeemed, official notice of any redemption of any Note shall be given by the Trustee on behalf of the District by mailing a copy of an official redemption notice by first class mail, postage prepaid, at least 30 days (5 days if all of the Notes are owned by the Developer) prior to the date fixed for redemption to the Owner of the Note or Notes to be redeemed at the address shown on the Register; provided, however, that failure to give such notice by mailing as aforesaid to any Owner or any defect therein as to any particular Note shall not affect the validity of any proceedings for the redemption of any Notes. Notice of redemption having been given as aforesaid, the Notes or portions of Notes so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the District defaults in the payment of the redemption price) such Notes or portions of Notes shall cease to bear interest, shall no longer be secured by the Indenture and shall not be deemed to be Outstanding under the provisions of the Indenture. Any defect in any notice or the failure of any parties to receive any notice of redemption shall not cause any Note called for redemption to remain Outstanding.

The District, the elected officials, officers and employees of the District and any person executing the Notes shall not be personally liable for such obligations by reason of the issuance thereof.

The Notes are issuable in the form of fully registered Notes without coupons in the denomination of \$5,000 or any multiple of \$1.00 in excess thereof.

This Note may be transferred or exchanged, as provided in the Indenture, only upon the books for the registration, transfer and exchange thereof (the "*Register*") kept by the Trustee, upon surrender of this Note together with a written instrument of transfer satisfactory to the Trustee duly executed by the registered Owner or the registered Owner's duly authorized agent. THE OWNER HEREOF EXPRESSLY AGREES, BY SUCH OWNER'S ACCEPTANCE HEREOF, THAT THE RIGHT TO TRANSFER, ASSIGN OR NEGOTIATE THIS NOTE SHALL BE LIMITED TO TRANSFER, ASSIGNMENT OR NEGOTIATION TO APPROVED INVESTORS, AS THAT TERM IS DEFINED IN THE INDENTURE. Accordingly, this Note will be transferable only upon prior delivery to the Trustee of a letter in substantially the form attached to the Indenture as Exhibit C, signed by the transferee, showing that such transferee is an Approved Investor. After the Trustee receives the foregoing statement, a new Note of the same maturity and in the same principal amount outstanding as the Note which was presented for transfer or exchange shall be issued to the transferee in exchange therefor as provided in the Indenture, and upon payment of the charges therein prescribed. The District and the Trustee may deem and treat the person in whose name this Note is registered on the Register as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or redemption price hereof and interest due hereon and for all other purposes.

This Note shall not be valid or binding on the District or be entitled to any security or benefit under the Indenture until the Certificate of Authentication hereon has been executed by the Trustee.

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

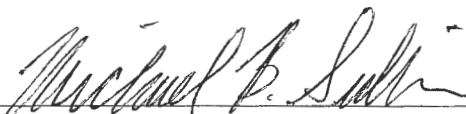
ORAL AGREEMENTS OR COMMITMENTS TO LOAN MONEY, EXTEND CREDIT, OR TO FOREBEAR FROM ENFORCING REPAYMENT OF A DEBT INCLUDING PROMISES TO EXTEND OR RENEW SUCH DEBT ARE NOT ENFORCEABLE. TO PROTECT YOU (BORROWER) AND US (LENDER) FROM MISUNDERSTANDING OR DISAPPOINTMENT, ANY AGREEMENTS WE REACH COVERING SUCH MATTERS ARE CONTAINED IN THIS WRITING, WHICH IS THE COMPLETE AND EXCLUSIVE STATEMENT OF THE AGREEMENT BETWEEN US, EXCEPT AS WE MAY LATER AGREE IN WRITING TO MODIFY IT.

[REMAINDER OF PAGE BLANK; SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, LOUGHBOROUGH COMMONS COMMUNITY IMPROVEMENT DISTRICT has executed this Note by causing it to be signed by the manual or facsimile signature of its Chairman and attested by the manual or facsimile signature of its Secretary, and its official seal to be affixed or imprinted hereon, and this Note to be dated as of the Dated Date shown above.

Registration Date: _____

**LOUGHBOROUGH COMMONS
COMMUNITY IMPROVEMENT
DISTRICT**

By: 
Michael B. Sullivan,
Chairman of the Board of Directors

UMB BANK, N.A.,
as Trustee

(SEAL)

ATTEST:

By: _____
Authorized Signatory

By: 
Secretary

