

UNITED STATES BANKRUPTCY COURT

Northern District of Texas (Dallas Division)

PROOF OF CLAIM

Name of Debtor:

Columbus Campus, LLC

Case Number:

09-37019

NOTE: This form should not be used to make a claim for an administrative expense arising after the commencement of the case. A request for payment of an administrative expense may be filed pursuant to 11 U.S.C. § 503.

Name of Creditor (the person or other entity to whom the debtor owes money or property):

City of Hilliard, Ohio

Name and address where notices should be sent:

20835749003116  
CITY OF HILLIARD  
3800 MUNICIPAL WAY  
HILLIARD, OH 43026

RECEIVED

FEB 23 2010

BMC GROUP

☐ Check this box to indicate that this claim amends a previously filed claim.

Court Claim Number: \_\_\_\_\_

(If known)

Filed on: \_\_\_\_\_

Name and address where payment should be sent (if different from above):

Telephone number: (614) 334-2430
☐ Check this box if you are aware that anyone else has filed a proof of claim relating to your claim. Attach copy of statement giving particulars.

☐ Check this box if you are the debtor or trustee in this case.

1. Amount of Claim as of Date Case Filed:

\$ See Exhibit "A" Attached

If all or part of your claim is secured, complete item 4 below; however, if all of your claim is unsecured, do not complete item 4.

If all or part of your claim is entitled to priority, complete item 5.

☐ Check this box if claim includes interest or other charges in addition to the principal amount of claim. Attach itemized statement of interest or charges.
2. Basis for Claim: Taxes

(See instruction #2 on reverse side.)

3. Last four digits of any number by which creditor identifies debtor: N/A3a. Debtor may have scheduled account as: N/A

(See instruction #3a on reverse side.)

4. Secured Claim (See instruction #4 on reverse side.)

Check the appropriate box if your claim is secured by a lien on property or a right of setoff and provide the requested information.

Nature of property or right of setoff: ☐ Real Estate ☐ Motor Vehicle ☐ Other  
Describe:

Value of Property: \$ \_\_\_\_\_ Annual Interest Rate \_\_\_\_\_ %

Amount of arrearage and other charges as of time case filed included in secured claim,

if any: \$ \_\_\_\_\_ Basis for perfection: \_\_\_\_\_

Amount of Secured Claim: \$ \_\_\_\_\_ Amount Unsecured: \$ \_\_\_\_\_

6. Credits: The amount of all payments on this claim has been credited for the purpose of making this proof of claim.

7. Documents: Attach redacted copies of any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. You may also attach a summary. Attach redacted copies of documents providing evidence of perfection of a security interest. You may also attach a summary. (See instruction 7 and definition of "redacted" on reverse side.)

DO NOT SEND ORIGINAL DOCUMENTS. ATTACHED DOCUMENTS MAY BE DESTROYED AFTER SCANNING.

If the documents are not available, please explain:

5. Amount of Claim Entitled to Priority under 11 U.S.C. §507(a). If any portion of your claim falls in one of the following categories, check the box and state the amount.

Specify the priority of the claim.

☐ Domestic support obligations under 11 U.S.C. §507(a)(1)(A) or (a)(1)(B).

☐ Wages, salaries, or commissions (up to \$10,950\*) earned within 180 days before filing of the bankruptcy petition or cessation of the debtor's business, whichever is earlier – 11 U.S.C. §507 (a)(4).

☐ Contributions to an employee benefit plan – 11 U.S.C. §507 (a)(5).

☐ Up to \$2,425\* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use – 11 U.S.C. §507 (a)(7).

☒ Taxes or penalties owed to governmental units – 11 U.S.C. §507 (a)(8).

☐ Other – Specify applicable paragraph of 11 U.S.C. §507 (a)(\_\_\_\_).

Amount entitled to priority:

\$ See Exhibit "A" Attached

\*Amounts are subject to adjustment on 4/1/10 and every 3 years thereafter with respect to cases commenced on or after the date of adjustment.

FOR COURT USE ONLY

Date:

2/17/10

Signature: The person filing this claim must sign it. Sign and print name and title, if any, of the creditor or other person authorized to file this claim and state address and telephone number if different from the notice address above. Attach copy of power of attorney, if any.

CITY OF HILLIARD, OHIOBy Paula A. Fox, Law DirectorPaula A. Fox  
Law Director

Erickson Ret. Comm. LLC



00984

Penalty for presenting fraudulent claim: Fine of up to \$500,000 or imprisonment for up to 5 years, or both. 18 U.S.C. §§ 152 and 3571.

## UNITED STATES BANKRUPTCY COURT Northern District of Texas

**Notice of  
Chapter 11 Bankruptcy Case, Meeting of Creditors, & Deadlines**

A chapter 11 bankruptcy case concerning the debtor(s) listed below was filed on 10/19/09.

You may be a creditor of the debtor. **This notice lists important deadlines.** You may want to consult an attorney to protect your rights. All documents filed in the case may be inspected at the bankruptcy clerk's office at the address listed below.

NOTE: The staff of the bankruptcy clerk's office cannot give legal advice.

**See Reverse Side For Important Explanations**

Debtor(s) (name(s) used by the debtor(s) in the last 8 years, including married, maiden, trade, and address):

Erickson Retirement Communities, LLC  
701 Maiden Choice Lane  
Baltimore, MD 21228

Case Number:  
09-37010-sgj11

Social Security / Individual Taxpayer ID / Employer Tax ID / Other  
nos:  
52-2003375

Attorney for Debtor(s) (name and address):

Vincent P. Slusher  
DLA Piper LLP US  
1717 Main Street  
Suite 4600  
Dallas, TX 75201  
Telephone number: (214) 743-4572

**Meeting of Creditors**

Date: **November 30, 2009**

Time: **02:00 PM**

Location: **Office of the U.S. Trustee, 1100 Commerce St., Room 752, Dallas, TX 75242**

**Deadline to File a Proof of Claim**

Proof of claim must be *received* by the bankruptcy clerk's office by the following deadline:

For all creditors (except a governmental unit): **2/28/10**

For a governmental unit:

**Creditor with a Foreign Address:**

A creditor to whom this notice is sent at a foreign address should read the information under "Claims" on the reverse side.

**Deadline to File a Complaint to Determine Dischargeability of Certain Debts:****Creditors May Not Take Certain Actions:**

In most instances, the filing of the bankruptcy case automatically stays certain collection and other actions against the debtor and the debtor's property. Under certain circumstances, the stay may be limited to 30 days or not exist at all, although the debtor can request the court to extend or impose a stay. If you attempt to collect a debt or take other action in violation of the Bankruptcy Code, you may be penalized. Consult a lawyer to determine your rights in this case.

**Address of the Bankruptcy Clerk's Office:**

1100 Commerce Street  
Room 1254  
Dallas, TX 75242  
Telephone number: 214-753-2000

**For the Court:**

Clerk of the Bankruptcy Court:  
Tawana C. Marshall

Hours Open: Monday - Friday 8:30 AM - 4:30 PM

Date: 10/23/09

## EXPLANATIONS

B9F (Official Form 9F) (12/08)

Filing of Chapter 11 Bankruptcy Case	A bankruptcy case under Chapter 11 of the Bankruptcy Code (title 11, United States Code) has been filed in this court by or against the debtor(s) listed on the front side, and an order for relief has been entered. Chapter 11 allows a debtor to reorganize or liquidate pursuant to a plan. A plan is not effective unless confirmed by the court. You may be sent a copy of the plan and a disclosure statement telling you about the plan, and you might have the opportunity to vote on the plan. You will be sent notice of the date of the confirmation hearing, and you may object to confirmation of the plan and attend the confirmation hearing. Unless a trustee is serving, the debtor will remain in possession of the debtor's property and may continue to operate any business.
Legal Advice	The staff of the bankruptcy clerk's office cannot give legal advice. Consult a lawyer to determine your rights in this case.
Creditors Generally May Not Take Certain Actions	Prohibited collection actions are listed in Bankruptcy Code § 362. Common examples of prohibited actions include contacting the debtor by telephone, mail or otherwise to demand repayment; taking actions to collect money or obtain property from the debtor; repossessing the debtor's property; and starting or continuing lawsuits or foreclosures. Under certain circumstances, the stay may be limited to 30 days or not exist at all, although the debtor can request the court to extend or impose a stay.
Meeting of Creditors	A meeting of creditors is scheduled for the date, time and location listed on the front side. <i>The debtor's representative must be present at the meeting to be questioned under oath by the trustee and by creditors.</i> Creditors are welcome to attend, but are not required to do so. The meeting may be continued and concluded at a later date without further notice. The court, after notice and a hearing, may order that the United States trustee not convene the meeting if the debtor has filed a plan for which the debtor solicited acceptances before filing the case.
Claims	A Proof of Claim is a signed statement describing a creditor's claim. If a Proof of Claim form is not included with this notice, you can obtain one at any bankruptcy clerk's office. You may look at the schedules that have been or will be filed at the bankruptcy clerk's office. If your claim is scheduled and is <i>not</i> listed as disputed, contingent, or unliquidated, it will be allowed in the amount scheduled unless you filed a Proof of Claim or you are sent further notice about the claim. Whether or not your claim is scheduled, you are permitted to file a Proof of Claim. If your claim is not listed at all <i>or</i> if your claim is listed as disputed, contingent, or unliquidated, then you must file a Proof of Claim or you might not be paid any money on your claim and may be unable to vote on the plan. A secured creditor retains rights in its collateral regardless of whether that creditor files a Proof of Claim. Filing a Proof of Claim submits the creditor to the jurisdiction of the bankruptcy court, with consequences a lawyer can explain. For example, a secured creditor who files a Proof of Claim may surrender important nonmonetary rights, including the right to a jury trial. <b>Filing Deadline for a Creditor with a Foreign Address:</b> The deadlines for filing claims set forth on the front of this notice apply to all creditors. If this notice has been mailed to a creditor at a foreign address, the creditor may file a motion requesting the court to extend the deadline.
Discharge of Debts	Confirmation of a chapter 11 plan may result in a discharge of debts, which may include all or part of your debt. See Bankruptcy Code § 1141(d). A discharge means that you may never try to collect the debt from the debtor, except as provided in the plan. If you believe that a debt owed to you is not dischargeable under Bankruptcy Code § 1141(d)(6)(A), you must start a lawsuit by filing a complaint in the bankruptcy clerk's office by the "Deadline to File a Complaint to Determine Dischargeability of Certain Debts" listed on the front side. The bankruptcy clerk's office must receive the complaint and any required filing fee by that Deadline.
Bankruptcy Clerk's Office	Any paper that you file in this bankruptcy case should be filed at the bankruptcy clerk's office at the address listed on the front side. You may inspect all papers filed, including the list of the debtor's property and debts and the list of the property claimed as exempt, at the bankruptcy clerk's office.
Creditor with a Foreign Address	Consult a lawyer familiar with United States bankruptcy law if you have any questions regarding your rights in this case.
Refer to Other Side for Important Deadlines and Notices	

**INSTRUCTIONS FOR PROOF OF CLAIM FORM**

*The instructions and definitions below are general explanations of the law. In certain circumstances, such as bankruptcy cases not filed voluntarily by the debtor, there may be exceptions to these general rules.*

**Items to be completed in Proof of Claim form****Court, Name of Debtor, and Case Number:**

Fill in the federal judicial district where the bankruptcy case was filed (for example, Central District of California), the bankruptcy debtor's name, and the bankruptcy case number. If the creditor received a notice of the case from the bankruptcy court, all of this information is located at the top of the notice.

**Creditor's Name and Address:**

Fill in the name of the person or entity asserting a claim and the name and address of the person who should receive notices issued during the bankruptcy case. A separate space is provided for the payment address if it differs from the notice address. The creditor has a continuing obligation to keep the court informed of its current address. See Federal Rule of Bankruptcy Procedure (FRBP) 2002(g).

**1. Amount of Claim as of Date Case Filed:**

State the total amount owed to the creditor on the date of the Bankruptcy filing. Follow the instructions concerning whether to complete items 4 and 5. Check the box if interest or other charges are included in the claim.

**2. Basis for Claim:**

State the type of debt or how it was incurred. Examples include goods sold, money loaned, services performed, personal injury/wrongful death, car loan, mortgage note, and credit card. If the claim is based on the delivery of health care goods or services, limit the disclosure of the goods or services so as to avoid embarrassment or the disclosure of confidential health care information. You may be required to provide additional disclosure if the trustee or another party in interest files an objection to your claim.

**3. Last Four Digits of Any Number by Which Creditor Identifies Debtor:**

State only the last four digits of the debtor's account or other number used by the creditor to identify the debtor.

**3a. Debtor May Have Scheduled Account As:**

Use this space to report a change in the creditor's name, a transferred claim, or any other information that clarifies a difference between this proof of claim and the claim as scheduled by the debtor.

**4. Secured Claim:**

Check the appropriate box and provide the requested information if the claim is fully or partially secured. Skip this section if the claim is entirely unsecured. (See DEFINITIONS, below.) State the type and the value of property that secures the claim, attach copies of lien documentation, and state annual interest rate and the amount past due on the claim as of the date of the bankruptcy filing.

**5. Amount of Claim Entitled to Priority Under 11 U.S.C. §507(a).**

If any portion of your claim falls in one or more of the listed categories, check the appropriate box(es) and state the amount entitled to priority. (See DEFINITIONS, below.) A claim may be partly priority and partly non-priority. For example, in some of the categories, the law limits the amount entitled to priority.

**6. Credits:**

An authorized signature on this proof of claim serves as an acknowledgment that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

**7. Documents:**

Attach to this proof of claim form redacted copies documenting the existence of the debt and of any lien securing the debt. You may also attach a summary. You must also attach copies of documents that evidence perfection of any security interest. You may also attach a summary. FRBP 3001(c) and (d). If the claim is based on the delivery of health care goods or services, see instruction 2. Do not send original documents, as attachments may be destroyed after scanning.

**Date and Signature:**

The person filing this proof of claim must sign and date it. FRBP 9011. If the claim is filed electronically, FRBP 5005(a)(2), authorizes courts to establish local rules specifying what constitutes a signature. Print the name and title, if any, of the creditor or other person authorized to file this claim. State the filer's address and telephone number if it differs from the address given on the top of the form for purposes of receiving notices. Attach a complete copy of any power of attorney. Criminal penalties apply for making a false statement on a proof of claim.

**DEFINITIONS****Debtor**

A debtor is the person, corporation, or other entity that has filed a bankruptcy case.

**Creditor**

A creditor is a person, corporation, or other entity owed a debt by the debtor that arose on or before the date of the bankruptcy filing. See 11 U.S.C. §101 (10)

**Claim**

A claim is the creditor's right to receive payment on a debt owed by the debtor that arose on the date of the bankruptcy filing. See 11 U.S.C. §101 (5). A claim may be secured or unsecured.

**Proof of Claim**

A proof of claim is a form used by the creditor to indicate the amount of the debt owed by the debtor on the date of the bankruptcy filing. The creditor must file the form with the clerk of the same bankruptcy court in which the bankruptcy case was filed.

**Secured Claim Under 11 U.S.C. §506(a)**

A secured claim is one backed by a lien on property of the debtor. The claim is secured so long as the creditor has the right to be paid from the property prior to other creditors. The amount of the secured claim cannot exceed the value of the property. Any amount owed to the creditor in excess of the value of the property is an unsecured claim. Examples of liens on property include a mortgage on real estate or a security interest in a car.

A lien may be voluntarily granted by a debtor or may be obtained through a court proceeding. In some states, a court judgment is a lien. A claim also may be secured if the creditor owes the debtor money (has a right to setoff).

**Unsecured Claim**

An unsecured claim is one that does not meet the requirements of a secured claim. A claim may be partly unsecured if the amount of the claim exceeds the value of the property on which the creditor has a lien.

**Claim Entitled to Priority Under 11 U.S.C. §507(a)**

Priority claims are certain categories of unsecured claims that are paid from the available money or property in a bankruptcy case before other unsecured claims.

**Redacted**

A document has been redacted when the person filing it has masked, edited out, or otherwise deleted, certain information. A creditor should redact and use only the last four digits of any social-security, individual's tax-identification, or financial-account number, all but the initials of a minor's name and only the year of any person's date of birth.

**Evidence of Perfection**

Evidence of perfection may include a mortgage, lien, certificate of title, financing statement, or other document showing that the lien has been filed or recorded.

**INFORMATION****Acknowledgment of Filing of Claim**

To receive acknowledgment of your filing, you may either enclose a stamped self-addressed envelope and a copy of this proof of claim or you may access the court's PACER system ([www.pacer.psc.uscourts.gov](http://www.pacer.psc.uscourts.gov)) for a small fee to view your filed proof of claim.

**Offers to Purchase a Claim**

Certain entities are in the business of purchasing claims for an amount less than the face value of the claims. One or more of these entities may contact the creditor and offer to purchase the claim. Some of the written communications from these entities may easily be confused with official court documentation or communications from the debtor. These entities do not represent the bankruptcy court or the debtor. The creditor has no obligation to sell its claim. However, if the creditor decides to sell its claim, any transfer of such claim is subject to FRBP 3001(e), any applicable provisions of the Bankruptcy Code (11 U.S.C. § 101 *et seq.*), and any applicable orders of the bankruptcy court.

Mail original proof of claim form and copies of supporting documentation to:

**If by regular mail:**

BMC Group Inc  
Attn: Erickson Retirement Communities, LLC  
Claims Processing  
PO Box 3020  
Chanhassen, MN 55317-3020

**If by messenger or overnight delivery:**

BMC Group Inc  
Attn: Erickson Retirement Communities, LLC  
Claims Processing  
18750 Lake Drive East  
Chanhassen, MN 55317

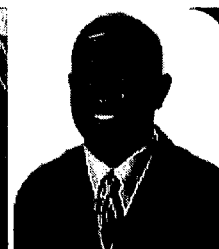
**Debtors**

Erickson Retirement Communities, LLC  
Ashburn Campus, LLC  
Columbus Campus, LLC  
Concord Campus GP, LLC  
Concord Campus, LP  
Dallas Campus GP, LLC  
Dallas Campus, LP  
Erickson Construction, LLC  
Erickson Group, LLC  
Houston Campus, LP  
Kansas Campus, LLC  
Littleton Campus, LLC  
Novi Campus, LLC  
Senior Campus Services, LLC  
Warminster Campus GP, LLC  
Warminster Campus, LP

**Case Number**

09-37010  
09-37018  
09-37019  
09-27021  
09-37020  
09-37013  
09-37012  
09-37016  
09-37015  
09-37022  
09-37024  
09-37023  
09-37025  
09-37017  
09-37027  
09-37026

Once filed, a **Filed** stamped copy of the proof of claim will be returned to the claimant within three (3) business days of docketing **If** the claimant encloses a stamped, self-addressed envelope with a copy of the proof of claim.



Auditor Home Real Estate Home Search Specialty Maps

Auditor Services Contact Us On-Line Tool

## Summary

### Parcel Info

Parcel ID

Map Routing  
Number

Owner

Location

### Summary

050-  
010749-00050-0061C  
-028-01COLUMBUS CAMPUS LLC4510 HICKORY  
CHASE WY

### Property Profile

#### Land

#### Building

#### Improvements

#### MAP(GIS)

#### Sketch

#### Photo

#### Transfer History

#### Area Sales Activity

#### Area Rentals

#### Tax/Payment Info

#### Levy Info

#### Tax Distribution

#### Rental Contact

#### Tax Estimator

#### Property Reports

#### Area Sex Offender Inquiry

#### Pay Real Estate Taxes Here

#### Tax Estimator by School/District



### Owner Information

Owner	<b>COLUMBUS CAMPUS LLC</b>  <b>701 MAIDEN CHOICE LN BALTIMORE MD 21228</b> <u>If the address above is incorrect - Click Here</u>
Tax Bill Mailing Info	<b>COLUMBUS CAMPUS LLC</b>  <b>701 MAIDEN CHOICE LN BALTIMORE MD 21228</b> <u>To change mailing information ONLY - Click Here</u>

### Legal Description

**LEAP ROAD  
ENTRY 4854 OQ 600  
77.019 ACRES**

### Most Recent Transfer

Sale Amount	<b>\$0</b>
Date of Sale	<b>04/09/2008</b>
Conveyance Type	<b>CB</b>
Exempt Number	<b>(050)13-M</b>
Number of Parcels	<b>1</b>

### Tax Year 2009

Annual Taxes	<b>\$568,945.40</b>	Taxes Paid	<b>\$284,472.70</b>
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### Current Value

	Market	Taxable
Land	<b>\$10,166,500</b>	<b>\$3,558,280</b>
Improvements	<b>\$8,347,500</b>	<b>\$2,921,630</b>
Total	<b>\$18,514,000</b>	<b>\$6,479,910</b>
Cauv	<b>0</b>	<b>0</b>

### Building Data

Year Built	<b>2008</b>	Total Sq Footage	<b>59,190</b>
MULTIPLE STRUCTURES; See building and/or improvements link(s)			

### 2009 Tax Status

Land Use	<b>[413] OTHER COMMERCIAL</b>		
Tax District	<b>[050] CITY OF HILLIARD</b>		
School District	<b>[2510] HILLIARD CSD</b>		
Neighborhood	<b>00300</b>		
Board of Revision	<b>NO</b>	CDQ	
Homestead Exemption	<b>NO</b>	Owner Occupied Reduction (2.5%)	<b>NO</b>
Special Assessment	<b>NO</b>		

#### Disclaimer

Data updated on:

The information on this web site is prepared for the real property inventory within this county. Users of

**Tax Incentive Program -- Application for  
Real Property Tax Exemption and Remission**

**FRANKLIN**  
County Name

Date Received by County Auditor
------------------------------------

Date Received by DTE
-------------------------

OFFICE USE ONLY
County Application Number
DTE Application Number

**General Instructions**

- + Submit three (3) copies of this application to the auditor's office in the county where the property is located. (Make a copy for your records.) The final deadline for filing with the county auditor is December 31 of the year for which exemption is sought. If you need assistance in completing this form, contact your county auditor.
- + Both the County Auditor's Finding (page 3) and the Treasurer's Certificate (page 4) of this application must be completed. Ask your county auditor for the procedure to follow to obtain the Treasurer's Certificate. When presented with this application, the county treasurer should promptly complete the certificate and return the application to you so it may be filed with the county auditor. The county treasurer should make certain the treasurer's certificate is complete and accurately reflects the payment status of taxes, special assessments penalties, and interest, by tax year. Obtain a copy of the property record card from the county auditor and enclose it with this application. It is the applicant's responsibility to make sure the information supplied by the county auditor and county treasurer is complete and accurate.
- + Answer all questions on the form. If you need more room for any question, use additional sheets of paper to explain details. Please indicate which question each additional sheet is answering. This application must be signed by the property owner or the property owner's representative.

**Special Instructions for Tax Increment Financing Exemptions**

If the applicant requests an exemption under R.C. 725.02, 1728.10, 5709.40, 5709.41, 5709.73, or 5709.78, the application can be signed by the property owner, the property owner's representative, the political subdivision without the property owner's consent, or the political subdivision with the property owner's consent acting under a power of attorney (attach DTE Form 24P). If the application is signed by the political subdivision without the property owner's consent, such exemption shall be subordinate to an exemption granted under any other section of the Revised Code and service payments shall not be required for the portion of the property exempt under that other section. If the exemption requested involves service payments in lieu of taxes and the application is signed by the property owner, the property owner's representative, or the political subdivision with the property owner's consent acting under a power of attorney, those payments will remain in effect for the term of the exemption even if the property is used later for another exempt purpose, unless the political subdivision consents in writing to the subsequent exemption. These service payments are also binding on future owners if the political subdivision or the property owner files a notice with the county recorder after the tax commissioner approves the application, unless the political subdivision consents in writing to the subsequent exemption. Failure to file such notice relieves only future owners from the obligation to make service payments if the property becomes exempt under any other provision of the Revised Code. Consent by a property owner filed with the tax commissioner after the commissioner has approved an application for exemption originally filed by the political subdivision without the property owner's consent will trigger the same procedures mentioned above for an application filed by or with the property owner's consent.

**Please Type or Print Clearly**

<b>Applicant Name:</b>	COLUMBUS CAMPUS, LLC		
	name		
<b>Notices concerning this application should be sent to:</b>	BY: ERICKSON RETIREMENT COMMUNITIES, LLC, MEMBER		
	name (if different from Applicant)		
	701 MAIDEN CHOICE LANE		
	address		
	BALTIMORE	MD	21228
	city	state	Zip
			(410) 402-2350
			telephone number

Application is hereby made to have the following property placed on the tax exempt list pursuant to the authorizing agreement, ordinance, or resolution, and the limitations in the Ohio Revised Code.

1. Parcel number(s):  
(If more than 4, continue on an attached sheet.) All parcels must be in the same school district.
- a) 050-010749-00  
b) 050-010750-00  
c) 050-010751-00  
d) 050-010752-00
2. School district where located: HILLIARD CITY SCHOOL DISTRICT
3. Street address or location of property: LEAP ROAD, HILLIARD, OHIO
4. a) Title to this property is in the name of: COLUMBUS CAMPUS, LLC  
b) Address of owner: 701 MAIDEN CHOICE LANE, BALTIMORE MD 21228
5. Date title was acquired 01/08/2008
6. If title holder is different from the applicant, please explain: \_\_\_\_\_
7. Under what section of the Revised Code is exemption sought?
- |                                      |                                      |   |                                      |                                      |
|--------------------------------------|--------------------------------------|---|--------------------------------------|--------------------------------------|
| <input type="checkbox"/> §725.02     | <input type="checkbox"/> §1728.10    | <input checked="" type="checkbox"/> §5709.40(B) | <input type="checkbox"/> §5709.40(C) | <input type="checkbox"/> §5709.41    |
| <input type="checkbox"/> §5709.62    | <input type="checkbox"/> §5709.63    | <input type="checkbox"/> §5709.71               | <input type="checkbox"/> §5709.73(B) | <input type="checkbox"/> §5709.73(C) |
| <input type="checkbox"/> §5709.78(A) | <input type="checkbox"/> §5709.78(B) | <input type="checkbox"/> §5709.88               |                                      |                                      |
- Other incentive program, specify R.C. section §
8. Explain terms and details of incentive (real property included, percentage exempted, number of years, etc.).  
30 YEAR, 100% REAL PROPERTY TAXATION EXEMPTION
9. a) Attach a copy of the resolution or ordinance of the subdivision granting the incentive and/or the applicant's incentive agreement with the subdivision.  
b) Attach proof of school district approval (if required).
10. If this application requests exemption under a Tax Increment Financing provision (see special instructions), please indicate whether the application is being filed:  
☒ by the property owner ☐ by the political subdivision without owner consent  
☐ by the political subdivision with owner consent (attach copies of DTE Form 24P).

I declare under penalty of perjury that I have examined this application and, to the best of my knowledge and belief, it is true, correct, and complete.		
COLUMBUS CAMPUS, LLC		
By: Erickson Retirement Communities, LLC, Member		
Applicant or Representative:	By: <u>Gerald F. Doherty</u>	
	signature	
	Executive Vice President	
	print name and title	
701 MAIDEN CHOICE LANE		
address		
BALTIMORE	MD	21228
city	state	Zip
(410) 402-2350		
telephone number	date	

Joined by:

John A. Rothschild, Jr.  
John A. Rothschild, Jr., solely as Receiver  
for Columbus Campus, LLC



**County Auditor's Finding**

	Land	Building	Total
Taxable Value in Year of Application (Tax Year)			
Taxable Value in Prior Year (Tax Year)			

This application covers property that is (check all that apply):

- |  |  |   |
|--|--|---|
| <input type="checkbox"/> Currently exempt* | <input type="checkbox"/> New Construction on previously<br>exempted parcel | <input type="checkbox"/> Currently on CAUV  |
| <input type="checkbox"/> Previously exempt |  | <input type="checkbox"/> Previously on CAUV |

Auditor's Recommendation: ☐ Grant ☐ Partial Grant ☐ Deny ☐ None

Comments:

County Auditor (signature)

date

Forward two (2) copies of the completed application to the Ohio Department of Taxation, Equalization Division, P.O. Box 530, Columbus OH 43216-0530.

\*If the property or any portion of the property is currently exempt, please indicate the type of exemption, the portion of property exempted, and the tax years to which the current exemption applies.

**Treasurer's Certificate**

*If the Treasurer's Certificate is not properly filled out and signed, the tax commissioner will have **no jurisdiction** to act on the application, and it **will be subject to dismissal**.*

**(Notice to treasurer:** The first paragraph of this certificate must always be complete.)

As of the date below, I hereby certify that all **TAXES, SPECIAL ASSESSMENTS, PENALTIES AND INTEREST** levied and assessed against the above described property have been paid in full to and including the tax year \_\_\_\_\_ and that the most recent year for which taxes and special assessments have been charged is tax year \_\_\_\_\_.

I further certify that, as of the date below, the only **UNPAID TAXES, SPECIAL ASSESSMENTS, PENALTIES AND INTEREST** which have been charged against this property are as follows:

Parcel Number	Tax Year	Taxes (including penalties and interest)	Special Assessments (including penalties and interest)

*If additional years are unpaid, please list on an attached sheet.*

Have Tax Certificates been sold under R.C. 5721.32 or 5721.33  
for any of the property subject to this application?

☐

yes

☐

no

Are any unpaid taxes listed on this certificate subject to a valid  
delinquent tax contract under R.C. 323.31(A)? If unpaid taxes  
are subject to a valid delinquent tax contract, please indicate  
which tax years' charges are included in the contract.

☐

yes

☐

no

If yes, list tax years: \_\_\_\_\_

**Comments:**

County Treasurer (signature)

Date

## Tax Incentive Program – Power of Attorney for Real Property Tax Exemption Application

Date received by county auditor
---------------------------------

Date received by DTE
----------------------

Office Use Only
County application number
DTE application number

### General Instructions

This form is used by a real property owner to appoint an official or employee of a political subdivision as the property owner's agent for purposes of filing the DTE form 24, Tax Incentive Program Application for Real Property Tax Exemption and Remission, to request an exemption under Ohio Revised Code section 725.02, 1728.10, 5709.40, 5709.41, 5709.73 or 5709.78. This form (DTE 24P) should be filed with DTE form 24. **Caveat:** If the exemption for which the power of attorney is given involves service payments in lieu of taxes, those payments will remain in effect for the term of the exemption, even if the property is used for another exempt purpose after the tax incentive exemption is granted, unless the political subdivision consents in writing to the subsequent exemption. These service payments are also binding on future owners if the political subdivision or the property owner files a notice with the county recorder after the tax commissioner approves the application, unless the political subdivision

consents in writing to the subsequent exemption. Failure to file such notice relieves only future owners from the obligation to make service payments if the property becomes exempt under any other provision of the Revised Code.

Use Part A if the property owner is an individual or an individual general partner of a partnership that owns the property. Use Part B if the property owner is a corporation or if the general partner of the partnership that owns the property is a corporation. Fill in the name of the property owner as grantor of the power of attorney, the name of the official or employee of the political subdivision that is appointed attorney in fact, and the parcel numbers of the property subject to the power of attorney. The property owner or representative must sign the power of attorney in the presence of a notary public.

I, John A. Rothschild, Jr., Court Appointed Receiver, of Hickory Chase Retirement Community in Hilliard, Ohio, make  
(Name of property owner) (Address of property owner)  
John C. Bell, Esq., General Counsel, of Hickory Chase Community Author, my  
(Subdivision name) (Name of attorney in fact) (Title)  
 attorney in fact to do the following on my behalf: to file DTE form 24 with the Franklin County auditor  
(County name)  
 requesting a tax exemption from the tax commissioner on the real property identified by parcel numbers:  
050-010749-00; 050-010750-00; 050-010751-00; and 050-010752-00;  
(List parcel numbers)

to appeal any denial of the request for exemption; and to defend any complaint that may be filed against the continued exemption of those parcels if exemption is granted. I give John C. Bell, Esq. the authority to perform  
(Name of attorney in fact)

any act necessary to fulfill this power of attorney with full power of substitution and revocation. I ratify all that  
John C. Bell, Esq., or his/her substitute, shall lawfully do pursuant to this power of attorney.  
(Name of attorney in fact)

I have signed this power of attorney on September 14, 2009  
(Date)

State of Ohio )

County of FRANKLIN )

Social security number \_\_\_\_\_

The foregoing instrument was acknowledged before me this 14 day of SEPTEMBER, 2009 by

JOHN ROTHSCHILD, AS RECEIVER  
(Name of property owner)

[Signature]  
 Notary public



**B. Power of Attorney Granted by a Corporation**

The COLUMBUS CAMPUS, LLC a corporation duly organized under the laws of MARYLAND  
(Name of property owner) (State)  
and having its principal office in HILLIARD state of Ohio, makes JOHN C. BELL, ESQ.  
(Location) (Name of attorney in fact)  
GENERAL COUNSEL of HICKORY CHASE COMMUNITY AUTHORITY its attorney in fact to do the following  
(Title) (Subdivision name)

on its behalf: to file DTE form 24 with the FRANKLIN County auditor requesting a tax exemption from the tax  
(County name)  
commissioner on the real property identified by parcel numbers 050-010749-00; 050-010750-00; 050-010751-00; and 050-010752-00  
(List parcel numbers)

to appeal any denial of the request for exemption; and to defend any complaint that may be filed against the continued  
exemption of those parcels if exemption is granted. I give JOHN C. BELL, ESQ. the authority to perform  
(Name of attorney in fact)

any act necessary to fulfill this power of attorney with full power of substitution and revocation, I ratify all that  
JOHN C. BELL, ESQ. or his/her substitute, shall lawfully do pursuant to this power of attorney.  
(Name of attorney in fact)

The COLUMBUS CAMPUS, LLC has signed this power of attorney on  
(Name of property owner)

9/15/09  
(Date)  
COLUMBUS CAMPUS, LLC  
By ERICKSON RETIREMENT COMMUNITIES, LLC, MEMBER  
GERALD F. DOHERTY, EXECUTIVE VICE PRESIDENT

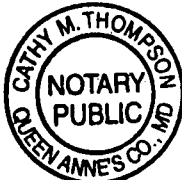
[Corporate seal]

State of Maryland )  
County of Baltimore )

Social security number \_\_\_\_\_

The forgoing instrument was acknowledged before me this 17<sup>th</sup> day of September, 2009 by  
COLUMBUS CAMPUS, LLC, BY: ERICKSON RETIREMENT COMMUNITIES, LLC, MEMBER, a MARYLAND  
(Name of property owner) (State)  
corporation, BY GERALD F. DOHERTY, EXECUTIVE VICE PRESIDENT, on behalf of the corporation.

Cathy M. Thompson  
Notary public



**CATHY M. THOMPSON**  
Notary Public, State of Maryland  
Queen Anne's County  
My Commission Expires December 25, 2011

**ORDINANCE**  
*of the*  
**CITY of HILLIARD, OHIO**

Ordinance No.: 07-23(Amended)  
Page 1 of 8 pages  
Passed: 03/26/2007  
Effective: 04/26/2007

**DECLARING IMPROVEMENTS TO CERTAIN REAL PROPERTY TO BE A PUBLIC PURPOSE; DECLARING SUCH PROPERTY TO BE EXEMPT FROM REAL PROPERTY TAXATION; DESCRIBING THE PUBLIC INFRASTRUCTURE IMPROVEMENTS TO BE MADE THAT WILL DIRECTLY BENEFIT THE REAL PROPERTY; REQUIRING THE OWNER THEREOF TO MAKE SERVICE PAYMENTS IN LIEU OF TAXES; AUTHORIZING THE EXECUTION OF A SERVICE PAYMENT AGREEMENT WITH THE PROPERTY OWNER; AUTHORIZING THE EXECUTION OF A COMPENSATION AGREEMENT WITH THE HILLIARD CITY SCHOOL DISTRICT; AND ESTABLISHING A MUNICIPAL PUBLIC IMPROVEMENT TAX INCREMENT EQUIVALENT FUND FOR THE DEPOSIT OF SUCH SERVICE PAYMENTS (Columbus Campus LLC).**

**WHEREAS**, the development of commercial properties in the City of Hilliard (the "City") will benefit the City and its residents by creating economic opportunities, enlarging the property tax base, enhancing income tax revenues, and stimulating collateral development in the City; and

**WHEREAS**, by providing Public Infrastructure Improvements (as that term is defined in Section 5709.40(A)(7) of the Ohio Revised Code), including road construction and related improvements, the City may facilitate the development of commercial properties; and

**WHEREAS**, Ohio Revised Code Sections 5709.40, 5709.42, and 5709.43 provide for the use of municipal tax increment financing to finance the construction of Public Infrastructure Improvements which will benefit new commercial development in the City; and

**WHEREAS**, an entity known as Columbus Campus, LLC (the "Developer"), a foreign limited liability company incorporated in the State of Maryland, is exploring the development of an approximately 83 acre site (the "Development Site"), located in the City, as a continuing care retirement community (the "Development Project"); and

**WHEREAS**, Ohio Revised Code Sections 5709.40, 5709.42 and 5709.43 provide that this Council may declare improvements to real property located in the City to be a public purpose, thereby exempting those improvements from real property taxation for a period of time, specify public infrastructure improvements to be made to benefit those parcels, provide for the making of service payments in lieu of taxes by the owner or owners thereof, provide for compensation to the Hilliard City School District, and establish a municipal public improvement tax increment equivalent fund into which such service payments shall be deposited; and

**WHEREAS**, the City desires to implement Tax Increment Financing ("TIF") with respect to approximately 78.386 acres of the Development Site ("Columbus Campus TIF Site") (as depicted and described in Exhibit A, attached hereto and incorporated herein), pursuant to which the City grants an exemption from real property taxation for the improvements to the Columbus Campus TIF Site; and

**WHEREAS**, the City has determined that it is necessary and appropriate and in the best interests of the City to require the Developer and future owners of real property in the Columbus Campus TIF Site (collectively, the "Property Owner") to make service payments in lieu of taxes with respect to the Improvements (as defined herein) pursuant to Section 5709.42 of the Ohio Revised Code, and to enter into a Service Payment Agreement with the Developer to secure the provision of service payments to the City; and

**WHEREAS**, the City expects to cause to be made the public infrastructure improvements described on Exhibit B hereto ("Infrastructure Improvements"), that once made will directly benefit the Columbus Campus TIF Site; and

**WHEREAS**, this Council determines that the City shall enter into a compensation agreement with the Hilliard City School District to provide the district with a portion of the service payments received by the City to compensate the district for a portion of the real property taxes exempted hereunder; and

**WHEREAS**, this Council finds and determines that notice of this proposed Ordinance has been delivered to all affected school districts in accordance with Sections 5709.40 and 5709.83 of the Ohio Revised Code and hereby ratifies the giving of that notice.

**NOW, THEREFORE, BE IT ORDAINED** by the Council of the City of Hilliard, Ohio that:

**SECTION 1. Authorization of Tax Exemption.** Pursuant to and in accordance with the provisions of Ohio Revised Code Section 5709.40(B), this Council hereby finds and determines that 100% of the increase in assessed value of the real property comprising the Columbus Campus TIF Site (the "Exempted Property") subsequent to the effective date of this Ordinance (which increase in assessed value is hereinafter referred to as the "Improvement", as defined in Ohio Revised Code Section 5709.40(A)(4)), is hereby declared to be a public purpose, and shall be exempt from taxation ("TIF Exemption") for a period commencing with the first tax year that begins after the effective date of this Ordinance and in which an Improvement to the real property comprising the Columbus Campus TIF Site first appears on the tax list and duplicate of real and public utility property and ending on the earlier of (a) thirty (30) years after such exemption commenced or (b) the date on which the City can no longer require service payments in lieu of taxes, all in accordance with the requirements of Sections 5709.40 and 5709.42 of the Ohio Revised Code (the "Exemption Period"). This Council further finds and determines that, as permitted by Ohio Revised Code Section 5709.40(B), the Improvement of the Columbus Campus TIF Site is to be used for commercial purposes. The TIF Exemption and the requirement to make Service Payments (as defined herein) shall become effective on the date that the Developer closes on the purchase of the Columbus Campus TIF Site.

**SECTION 2. Payment of Service Payments and Property Tax Rollback Payments.** As provided in Ohio Revised Code Section 5709.42, but only after the TIF Exemption is effective, the Property Owners of the real property comprising the Columbus Campus TIF Site shall be required to, and shall make, service payments in lieu of taxes with respect to the Improvements allocable thereto to the Treasurer of Franklin County, Ohio (the "County Treasurer") on or before the final due dates for payment of real property taxes. Each service payment in lieu of taxes shall be charged and collected in the same manner and in the same amount as the real property taxes that would have been charged and payable against real property comprising the Columbus Campus TIF Site as if it were not exempt from taxation pursuant to Section 1 hereof. Any late payments shall be subject to penalty and bear interest at the then current rate established under Ohio Revised Code Sections 323.121(B)(1) and 5703.47, as the same may be amended from time to time, or any successor provisions thereto, as the same may be amended from time to time (the payment of penalties and interest are collectively referred to herein with the service payments in lieu of taxes as the "Service Payments"). The Service Payments, and any other payments in respect of real property comprising the Columbus Campus TIF Site which are received by the County Treasurer in connection with any reduction required by Ohio Revised Section 319.302, as the same may be amended from time to time, or any successor provisions thereto, as the same may be amended from time to time (the "Property Tax Rollback Payments"), shall be allocated and distributed in accordance with this Ordinance.

**SECTION 3. Creation of TIF Fund.** This Council hereby establishes pursuant to and in accordance with the provisions of Ohio Revised Code Section 5709.43, the Columbus Campus Municipal Public Improvement Tax Increment Equivalent Fund (the "Fund"). The Fund shall be maintained in the custody of the City and shall receive all distributions of Service Payments and Property Tax Rollback Payments required to be made to the City. Those Service Payments and Property Tax Rollback Payments received by the City with respect to the Improvements on the real property in the Columbus Campus TIF Site from the Property Owners, so deposited and distributed pursuant to law as provided in Ohio Revised Code Section 5709.42, shall be used solely for the purposes authorized in Ohio Revised Code Sections 5709.40, 5709.42 and 5709.43, including, but not limited to, paying any costs of the Infrastructure Improvements, in a manner which is consistent with this Ordinance. For purposes of this Ordinance, "costs" of the Infrastructure Improvements payable from the Fund shall also include the items of "costs of permanent improvements" set forth in Section 133.15(B) of the Ohio Revised Code, and incurred with respect to the Infrastructure Improvements. The Fund shall remain in existence so long as such Service Payments and Property Tax Rollback Payments are collected and used for the aforesaid purposes, after which time said Fund shall be dissolved and any surplus funds remaining therein transferred to the City's General Fund, all in accordance with Ohio Revised Code Section 5709.43. The City's Finance Director shall create such subaccounts within the Fund as are necessary for payment of the costs of the Infrastructure Improvements, including debt service charges on, and other expenses relating to the issuance of, any bonds, notes, or other obligations issued to finance the Infrastructure Improvements.

**SECTION 4. Infrastructure Improvements.** This Council hereby designates the Infrastructure Improvements described in Exhibit B, attached hereto and incorporated herein, as "public infrastructure improvements" (as such term is defined in Section 5709.40(A)(7) of the Ohio Revised Code) made, to be made, or in the process of being made, and that, once made, will directly benefit the Columbus Campus TIF Site.

**SECTION 5. Compensation Agreement.** The Mayor, on behalf of the City, and pursuant to Ohio Revised Code Section 5709.40, 5709.42, and 5709.43, is hereby authorized and directed to enter into a Compensation Agreement ("Compensation Agreement") with the Hilliard City School District (the "School District"), which shall provide that during the Exemption Period, the City shall pay to the School District, from a portion of the Service Payments that it receives, an amount equal to the real property taxes that would have been payable to the School District less an amount equal to the reduction in state aid to the School District that would have occurred with respect to the Improvements as if the TIF Exemption had not been granted pursuant to this Ordinance (the "Compensation Payments"). Such Compensation Payments shall be payable to the School District at the times and as provided for in the Compensation Agreement, which agreement shall be in a form acceptable to the Mayor, approved as to form by the Director of Law, and not substantially inconsistent with the terms of this Ordinance.

**SECTION 6. Service Payment Agreement.** The Mayor, on behalf of the City, is hereby authorized and directed to enter into a Service Payment Agreement ("Service Payment Agreement") with the Developer to provide for the payment and collection of Service Payments, which Service Payment Agreement shall be in substantially the same form, with such changes not adverse to the City, as the one attached hereto as Exhibit C and incorporated herein. The Service Payment Agreement shall require that the Developer, or its successors and assigns, consent in writing, on the required DTE 24P form (or any other applicable or required forms), to the City's application for exemption pursuant to Section 5709.911(B)(1) of the Ohio Revised Code, and shall provide that the executed Service Payment Agreement be recorded in the Franklin County Recorder's Office as a Declaration running with the land. The Mayor is authorized and directed to enter into the Service Payment Agreement with such changes approved by the Mayor and not inconsistent with this Ordinance and not materially adverse to the City, which shall be established conclusively by his signature thereof; provided however, such Service Payment Agreement shall become effective on the date as provided for therein.

**SECTION 7. Application for Real Property Tax Exemption and Remission.** This Council further hereby authorizes and directs the City Finance Director and the City Law Director, or other appropriate officers of the City, to sign and execute all documents and make such arrangements as are necessary and proper for collection of said Service Payments from the Property Owner(s) of real property located in the Columbus Campus TIF Site, which are to be deposited into the Fund.

**SECTION 8. Non-Discriminatory Hiring Policy.** In accordance with Section 5709.832 of the Ohio Revised Code, this Council hereby determines that no employer located in the Columbus Campus TIF Site shall deny any individual employment solely on the basis of race, religion, sex, disability, color, national origin or ancestry.

**SECTION 9. Further Authorizations.** This Council further hereby authorizes and directs the Directors of Finance and Law, or other appropriate officers of the City, to prepare and sign all agreements, and any amendments thereto such that the character of those changes is not substantially adverse to the City, and to prepare and sign all instruments and to take all other actions as may be necessary and appropriate to implement this Ordinance.



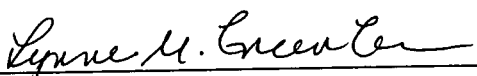
**SECTION 10. Notification of Passage.** Pursuant to Ohio Revised Code Section 5709.40, the Clerk of Council is hereby directed to deliver a copy of this Ordinance to the Director of the Department of Development of the State of Ohio within fifteen days after its adoption. On or before March 31 of each year that the exemption set forth in Section 1 hereof remains in effect, the Finance Director or other authorized officer of this City shall prepare and submit to the Director of the Department of Development of the State of Ohio the status report required under Section 5709.40(G) of the Ohio Revised Code.

**SECTION 11. Tax Incentive Review Council.** The City has created the Hilliard Tax Incentive Review Council with the membership of that Council constituted in accordance with Section 5709.85 of the Ohio Revised Code. That Council shall, in accordance with Section 5709.85 of the Ohio Revised Code, review annually all exemptions from taxation resulting from the declarations set forth in this Ordinance and any other such matters as may properly come before that Council, all in accordance with Ohio Revised Code Section 5709.85.

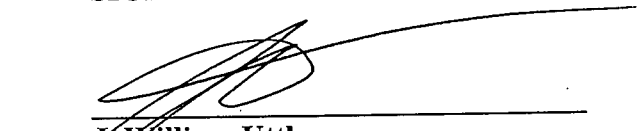
**SECTION 12. Open Meetings.** This Council finds and determines that all formal actions of this Council and any of its committees concerning and relating to the passage of this Ordinance were taken in an open meeting of this Council, and that all deliberations of this Council and any of its committees that resulted in those formal actions were in meetings open to the public, all in compliance with the law including Section 121.22 of the Revised Code.

**SECTION 13. Effective Date.** This Ordinance shall be effective from and after the earliest period provided by law.

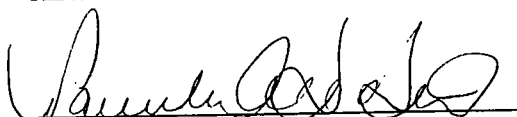
**ATTEST:**

  
Lynne M. Greenler  
Clerk of Council

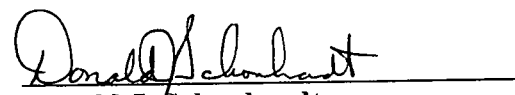
**SIGNED:**

  
J. William Uttley  
President of Council

**APPROVED AS TO FORM:**

  
Pamela A. DeDent  
Director of Law

**APPROVED:**

  
Donald J. Schonhardt  
Mayor

07-23(Amended)

Vote:

	Yea	Nay	Abstain
President Uttley	<input checked="" type="checkbox"/>		
Vice President Sciotto	<input checked="" type="checkbox"/>		
Allison	<input checked="" type="checkbox"/>		
Brown	<input checked="" type="checkbox"/>		
Cope	Excused		
Peacock	<input checked="" type="checkbox"/>		
Roberts	<input checked="" type="checkbox"/>		
Results:	6	0	0

**EXHIBIT A**

Development Site ("Columbus Campus TIF Site")

## EXHIBIT A

### DESCRIPTION OF TIF SITE

The TIF Site includes the real property described below and shown on the attached site map.

78.386 ACRES

Situate in the State of Ohio, County of Franklin, City of Hilliard, lying in Virginia Military Survey Nos. 3000 and 4854, being all of Tract One and part of Tract Two and Tract Three as conveyed to Wolpert Enterprises, Limited by deed of record in Instrument Number 200204080088414, part of Parcel Two, Tract Two and Parcel Two, Tract Three as conveyed to Ansmil Limited Partnership by deeds of record in Official Record 32225 G17 and 32225 I05, and part of Tract 1 as conveyed to Ansmil Limited Partnership by deed of record in Official Record 32225 G17, (all references refer to the records of the Recorder's Office, Franklin County, Ohio) being more particularly described as follows:

Beginning, for reference, at Franklin County Geodetic Survey Monument Number 0005 RESET found at the centerline intersection of Davidson Road and Leap Road, being the northwesterly corner of said Tract Three;

Thence South 23° 37' 07" East, a distance of 1241.49 feet, with the centerline of said Leap Road, and the westerly line of said Tract Three to a magnetic nail set, the TRUE POINT OF BEGINNING;

Thence across said Tract Three, the following courses and distances:

North 68° 44' 53" East, a distance of 606.78 feet, to an iron pin set at a point of curvature;

With said curve to the left, having a central angle of 09° 08' 20", a radius of 1099.00 feet, an arc length of 175.29 feet, and a chord which bears North 60° 37' 51" East, a chord distance of 175.11 feet, to an iron pin set;

North 23° 37' 07" West, a distance of 384.33 feet, to an iron pin set;

Thence North 84° 08' 15" East, a distance of 1135.86 feet, across said Tracts Three Two, and said Tract 1, to an iron pin set;

Thence South 06° 18' 57" East, a distance of 353.65 feet, continuing across said Tract 1, to an iron pin set at a point of curvature;

Thence with said curve to the left, having a central angle of 17° 44' 53", a radius of 1333.99 feet, an arc length of 413.22 feet, and a chord which bears South 14° 47' 43" East, a chord distance of 411.57 feet, across Tract 1 and said Tract Two, to an iron pin set at a point of tangency;

Thence South 23° 40' 10" East, a distance of 1074.93 feet, across said Tract Two and said Parcel Two, Tract Two, to an iron pin set at a point of curvature;

Thence across said Parcel Two, Tract Two and Three, the following courses and distances:

With said curve to the right, having a central angle of 07° 56' 29", a radius of 1388.25 feet, an arc length of 192.42 feet, and a chord which bears South 19° 41' 53" East, a chord distance of 192.26 feet, to an iron pin set at a point of tangency;

South 15° 13' 22" East, a distance of 24.61 feet, to an iron pin set at a point of curvature;

With said curve to the right, having a central angle of 00° 03' 27", a radius of 1244.97 feet, an arc length of 1.25 feet, and a chord which bears South 15° 25' 34" East, a chord distance of 1.25 feet, to an iron pin set;

South 76° 07' 35" West, a distance of 101.31 feet, to an iron pin set;

South 70° 47' 24" West, a distance of 286.15 feet, to an iron pin set;

South 68° 02' 13" West, a distance of 159.38 feet, to an iron pin set;

South 82° 20' 53" West, a distance of 300.01 feet, to an iron pin set;

South 76° 34' 35" West, a distance of 307.14 feet, to an iron pin set;

South 82° 47' 36" West, a distance of 138.56 feet, to an iron pin set;

North 79° 56' 50" West, a distance of 85.56 feet, to an iron pin set;

North 71° 18' 50" West, a distance of 150.01 feet, to an iron pin set;

North 65° 38' 53" West, a distance of 208.41 feet, to an iron pin set;

North 57° 48' 25" West, a distance of 129.32 feet, to an iron pin set;

North 59° 01' 48" West, a distance of 170.38 feet, to an iron pin set;

North 67° 18' 16" West, a distance of 57.59 feet, to an iron pin set;

North 80° 44' 53" West, a distance of 59.20 feet, to a magnetic nail set in the centerline of said Leap Road, being North 02° 32' 02" East, a distance of 288.37 feet, from Franklin County Geodetic Survey Monument Number 0007 found at an angle point in said centerline;

Thence North 02° 32' 02" East, a distance of 391.90 feet, with said centerline and a westerly line of said Parcel Two, Tract Three, to Franklin County Geodetic Survey Monument Number 0006 found at an angle point in said centerline, being the common corner of said Parcel Two, Tract Three and said Tract One;

Thence North 23° 37' 07" West, a distance of 811.87 feet, with said centerline and the westerly line of said Tract One, to the TRUE POINT OF BEGINNING, containing 78.386 acres, more or less.

Subject, however, to all legal rights-of-way and/or easements, if any, of previous record.

Iron pins set, where indicated, are iron pipes, thirteen sixteenths (13/16) inch inside diameter, thirty (30) inches long with a plastic plug placed in the top bearing the initials EMHT INC.

This description is based on existing record and field work performed in December, 2006.

Bearings are based on the Ohio State Plane Coordinate System, South Zone, as per NAD83 (1986 Adjustment). Control for bearings was from coordinates of monuments FCGS 0005 RESET and FCGS 0006, having a bearing of North 23° 37' 07" West, established by the Franklin County Engineering Department, using Global Positioning System procedures and equipment.

## **EXHIBIT B**

The Infrastructure Improvements consist generally of:

1. Construction of Britton Parkway between Reynolds Drive and Davidson Road including the Britton Parkway and Davidson Road intersection,
2. Construction of Anson Drive between Lyman Drive and Leap Road including construction of intersections with Britton Parkway and with Leap Road,
3. Construction of improvements to Leap Road between Reynolds Drive and Davidson Road,
4. Construction of improvements and widening of Britton (Road) Parkway between Davidson Road and Hayden Run Road including the relocation of the Britton Parkway and Hayden Run Road intersection,
5. Construction of improvements to the intersections of Britton Parkway and Cemetery Road and Cemetery Road and Lyman Drive including improvements and widening of Cemetery Road between Britton Parkway and the I-270 Cemetery Road Interchange,
6. Construction of improvements and realignment of Lyman Drive between Davidson Road and the proposed Mildred Drive.

"Construction" as used above, includes construction, reconstruction, extension, opening, improving, widening, grading, draining, curbing or changing of the lines and traffic patterns of roads, highways, streets, bridges, sidewalks, leisure paths, medians and viaducts accessible to and serving the public, providing lighting systems, signalization, and traffic controls, and all other appurtenances thereto.

Construction of the above improvements may also include:

- a. Construction or reconstruction of one or more public parks, including grading, trees and other park plantings, park accessories and related improvements, together with all appurtenances thereto, and
- b. Construction, reconstruction or installation of public utility improvements, water distribution lines (including necessary site grading therefor), storm and sanitary sewers (including necessary site grading therefor), water and fire protection systems, and all appurtenances thereto; and
- c. Construction, reconstruction or installation of gas, electric and communication service facilities and all appurtenances thereto; and
- d. Construction or installation of streetscape and landscape improvements including trees, tree grates, signage, curbs, sidewalks, street and sidewalk lighting, trash receptacles, benches, burial of overhead utility lines and related improvements, together with all appurtenances thereto; and
- e. Acquisition of real estate or interests in real estate, including easements, necessary to accomplish the foregoing improvements;
- f. Professional fees, including architectural, engineering, contract administration, and legal costs; and
- g. All inspection fees and other governmental fees related to the foregoing; and
- h. Any other costs for the aforesaid Infrastructure Improvements as permitted by law.

All of the Infrastructure Improvements described above are hereby determined to be "public infrastructure improvements" (as defined in Section 5709.40(A)(7) of the Ohio Revised Code) and will directly benefit the real property described in Exhibit A.

**EXHIBIT C**

Service Payment Agreement

**DRAFT**

**SERVICE PAYMENT AGREEMENT**

THIS **SERVICE PAYMENT AGREEMENT** (the "Agreement" or the "Service Payment Agreement") is made and entered into as of the \_\_\_\_\_ day of \_\_\_\_\_, 2007, between the **CITY OF HILLIARD, OHIO** (the "City"), a municipal corporation, having an address for purposes hereof at 3800 Municipal Way, Hilliard, Ohio 43026, and **COLUMBUS CAMPUS, LLC** (the "Developer"), a Maryland limited liability company, having an address for purposes hereof at 701 Maiden Choice Lane, Baltimore, Maryland 21228.

WITNESSETH:

WHEREAS, the Developer is exploring the development of an approximately 83-acre site (the "Development Site") located within the municipal corporate boundaries of the City as a continuing care retirement community (the "Development"); and

WHEREAS, upon completion the Development would significantly increase the assessed valuation of the Development Site; and

WHEREAS, an approximately 78.386-acre portion of the Development Site would be developed as an independent living facility as part of the Developer's continuum of care (the "TIF Site"), which TIF Site is identified and described in Exhibit A hereto incorporated by reference herein and is located within the municipal corporate boundaries of the City, and the territorial boundaries of the County of Franklin, Ohio (the "County") and the Hilliard City School District (the "School District"); and

The Developer (collectively, with its successors and assigns, as owners of the parcels included in the TIF Site, the "Owners") has contracted to purchase a fee simple interest in the TIF Site identified in Exhibit A; and

WHEREAS, pursuant to Ohio Revised Code ("O.R.C.") Sections 5709.40, 5709.42 and 5709.43 (together with related provisions of the Ohio Revised Code, the "TIF Act"), and Ordinance No. \_\_\_\_\_ - passed by the Council of the City ("City Council") on \_\_\_\_\_, 2007, a copy of which is attached as Exhibit B hereto and incorporated herein by reference (the "TIF Ordinance"), the City has, among other actions: (1) declared the improvements to the real property (the "Improvements") included in the TIF Site to be a public purpose and exempt from real property taxation for a period of up to thirty (30) years; (2) provided for service payments in lieu of taxes (the "Service Payments"), as an obligation running with the land for the Exemption Period, as defined herein, payable with respect to the real property comprising the TIF Site; (3) described and authorized certain Infrastructure Improvements (as identified in Exhibit B to the TIF Ordinance) to be paid from the Service Payments; and (4) determined to enter into this Service Payment Agreement with the Developer, to provide for the payment of the Service Payments by the Developer with respect to certain real property owned by the Developer, its successors and assigns, and to provide for the use of the Service Payments to pay costs of or relating to the Infrastructure Improvements, among other uses provided by Ohio law, for the Exemption Period, as defined herein; and

WHEREAS, pursuant to the TIF Act, the TIF Ordinance and this Service Payment Agreement, the Developer wishes to agree, for itself and for each of its successors and assigns as Owners of all or any portion of or interest in any of the real property comprising the TIF Site, effective at such time as the Developer becomes an Owner of the TIF Site, and to pay Service Payments in an amount equal to the amount of real property taxes that would have been paid with respect to the real property comprising the TIF Site had the TIF Exemption not been granted by the City under the TIF Act and the TIF Ordinance and applied for and allowed thereunder; and

**"O.R.C."** means Ohio Revised Code.

**"Obligee"** means the City, the Treasurer of the County, any governmental issuer of bonds to finance the Public Improvements, and the holders of such bonds.

**"Owners"** means the owners from time to time, including the Developer, of the real property comprising the TIF Site.

**"Public Improvements"** means the specific Infrastructure Improvements identified in Exhibit C hereof.

**"School Compensation Agreement"** means the Compensation Agreement between the City and the School District, dated \_\_\_\_\_, 2007.

**"School Compensation Amount"** means the amount to be paid to the School District in accordance with the terms of the School Compensation Agreement from monies deposited into the School District Account of the TIF Fund pursuant to Section 5 hereof.

**"School District"** means the Hilliard City School District.

**"School District Account"** means the Account in the TIF Fund into which the School Compensation Amount shall be deposited and from which the School Compensation Amount is paid in accordance with the terms of the School Compensation Agreement.

**"Service Payment Agreement"** means this Agreement.

**"Service Payments"** means the payments to be made in lieu of taxes by the Owners of the real property comprising the TIF Site pursuant to the terms of this Agreement.

**"Service Payment Dates"** means the final date (after the effective date hereof) for payment of the first semiannual installment of real property taxes that would have been payable with respect to any of the Improvements but for the TIF Exemption, and shall thereafter be the semiannual dates for the payment of installments of real property taxes (or such other installments as may then be required or allowed with respect to real property taxes in the state of Ohio) on or before the final date for payment (without delinquency) of each installment of real property taxes in such year and each year thereafter.

**"Special Account"** means the Account in the TIF Fund into which Assigned Service Payments are deposited.

**"TIF Act"** means Sections 5709.40 through 5709.43 of the Ohio Revised Code, together with related provisions of the Ohio Revised Code.

**"TIF Exemption"** has the meaning given to that term in Section 1 of the TIF Ordinance.

**"TIF Fund"** means the City's Municipal Public Improvement Tax Increment Equivalent Fund.

**"TIF Ordinance"** means Ordinance No. \_\_\_\_\_ - 2007, passed by the City Council on \_\_\_\_\_, 2007, as the same may be amended from time to time.

**"TIF Site"** means the approximately 78.386-acre site upon which the independent living facilities and associated common community facilities will be constructed, and described in Exhibit A.



Payment Date until termination or expiration of this Service Payment Agreement.

In the event that any Service Payment or any installment thereof, is not paid when due by any Owner on any Service Payment Date, to the extent that the County does not impose a late fee or delinquency charge, the City may impose and collect a late payment charge, payable to the City, in the amount of the charges for late payment of real property taxes, including penalty and interest, which would have been paid pursuant to O.R.C. Section 323.121 on the delinquent amount.

Except with respect to the Minimum Value guarantee described in Section 2 hereof, no Owner shall, under any circumstances, be required to pay both real property taxes with respect to an Improvement and Service Payments for any tax year with respect to that Improvement, whether pursuant to O.R.C. Section 4709.42, the TIF Ordinance, this Agreement or any other applicable law.

**SECTION 5. DEPOSITS OF SERVICE PAYMENTS.** Upon receipt by the City from the County, the Service Payments shall be deposited into the TIF Fund and credited to the following Accounts in the priority set forth below:

FIRST: The portion of the Service Payment, representing the School Compensation Amount, as calculated in accordance with the terms of the School Compensation Agreement, shall be credited to the School District Account; and

SECOND: A portion of the Service Payment representing that amount required to pay the principal, interest, and related costs, fees and expenses of the bonds or other obligations issued to finance the Public Improvements, including the funding of any reserves for such bonds, due in that year, shall be credited to the Special Account; and

THIRD: That portion of the Service Payment remaining after the deposits required in FIRST and SECOND above shall constitute Excess Service Payments and be credited to the Excess Account.

Amounts credited to the Special Account shall constitute Assigned Service Payments that may be assigned to the trustee for any obligations issued to finance Public Improvements.

Excess Service Payments shall be used first to be deposited to the Special Account to pay debt service or other charges on the bonds issued to finance the Public Improvements to the extent required and, after December 15 of each year, any unused Excess Service Payments may then be used by the City for such purposes authorized by the TIF Act and the TIF Ordinance.

Any supplemental payments required to be made pursuant to the Minimum Value guarantee portions of this Agreement shall be credited to the Accounts in the same relative proportion as the Service Payments are required to be deposited under this Section 5.

**SECTION 6. APPLICATION OF IMPACT FEES.** In accordance with Chapter 1187 of the City Code, the Developer is required to pay development impact fees in the amount of \$1,500 per independent living unit developed on the TIF Site (the "Impact Fees"). The City agrees, for the first ten years that this Agreement is in effect, to deposit the Impact Fees received with respect to the TIF Site into the Special Account or such other fund provided in the trust agreement or indenture executed in connection with the issuance of the bonds (or other obligations) issued by the Authority to finance the Public Improvements and that such amounts will be available during such ten-year period to pay the debt service charges on (including the funding of reserves for) such bonds (or other obligations). At the end of such ten-year period, any Impact Fees that have not been used to pay debt service charges on (including the funding of reserves for) the bonds (or other obligations) issued to finance the Public Improvements shall be released from the lien of the trust agreement or indenture and shall be transferred to the City and used for any lawful purpose. Notwithstanding anything herein to the contrary, if in any year the amount of Service Payments on deposit in the Special Account is at least one and one-half times the average annual debt service charges on the

construed to release any Owner from the performance of any of the agreements or obligations on its part contained in this Service Payment Agreement.

SECTION 9. PAYMENT OF TAXES; CONTESTS. Each Owner shall pay, cause, or require to be paid, as the same become due, all taxes, assessments, whether general or special, and governmental charges of any kind whatsoever that may at any time be lawfully assessed or levied against or with respect to the TIF Site (except as otherwise provided herein) or any personal property or fixtures installed or brought therein or thereon (including, without limiting the generality of the foregoing, and by way of example, any taxes levied against an Owner with respect to the receipts, income or profits from leasing or subleasing space within the Improvements, which, if not paid, may become or be made a lien on all or any portion of the TIF Site) and all utility and other charges incurred in the operation, maintenance, use, occupancy and upkeep of the TIF Site. Notwithstanding the foregoing, nothing herein is intended to prevent any Owner (or a successor, assign or transferee), at its expense and in good faith from contesting the amount or validity of any taxes, assessments or other charges (including but not limited to seeking a reduction in the valuation of the TIF Site), and the only recourse of the City to enforce the payment of those items will be to the TIF Site, and the interest or interests of the respective Owner therein; provided, however, that in the event that any such contest or a tax exemption for all or a portion of the Improvements results in a reduction in the True Value of the TIF Site to an amount less than \$140,000,000, then, in addition to paying the Service Payment to the Franklin County Treasurer, the Owner shall make a supplemental payment to the City in an amount equal to the real property taxes that would have been assessed on the difference between the True Value of the TIF Site and \$140,000,000 of True Value, but only if the Public Improvements are constructed as provided herein. Nothing in this Service Payment Agreement shall require an Owner or any other person to pay or reimburse for payment of any Federal, State or local tax of any kind or character (whether based on gross or net income, gross receipts or otherwise) which is imposed or levied on the City, or any other entity, on funds held by the trustee for bonds issued to finance the Public Improvements or by a depository of the City, or on the holders of such bonds or any other Obligations.

SECTION 10. NOTICES. All notices, designations, certificates, requests or other communications under this Service Payment Agreement shall be sufficiently given and shall be deemed given on receipt when personally delivered, or 48 hours after being mailed by registered or certified mail, postage prepaid: if to the City at 3800 Municipal Way, Hilliard, Ohio 43026, Attention: Mayor, with copies to the Finance Director and the Director of Law at the same address; and, if to the Developer, at its registered address for tax bills. The City and the Developer may, by notice given under this Service Payment Agreement, designate any further or different addresses to which subsequent notices, designations, certificates, requests or other communications shall be sent, and shall provide copies of all such communications to any of the others to all of the others.

SECTION 11. EXEMPTION APPLICATIONS. Promptly upon the effective date of this Service Payment Agreement, the Developer shall consent in writing on the required DTE 24P form (or any other applicable or required forms) to the City's application for exemption from real property taxation with respect to the TIF Site pursuant to O.R.C. Section 5709.911(B)(1). The City and the Developer shall cooperate with each other, and execute such further documents and provide such further information as are reasonably required in connection with the filing and processing of such applications. The parties hereto intend that such exemption from real property taxation will apply initially to the 2008 tax year and shall use due diligence and commercially reasonable efforts to that end. The Developer shall continuously use due diligence and employ commercially reasonable efforts to keep such exemptions in force, not permitting the same to lapse or be suspended or revoked for any reason within the Developer's control.

SECTION 12. EFFECTIVE DATE; DURATION OF AGREEMENT. This Service Payment Agreement shall become effective on the date that the Developer (a) has acquired fee simple title to the TIF Site and (b) has delivered written notice to the City that the Developer intends to proceed with the Development. If the conditions set forth in (a) and (b) above are not satisfied by January 31, 2008, then this Agreement shall be null and void. Unless sooner terminated, this Agreement shall expire at the end of the Exemption Period; provided, however, that the covenant of the Developer that the True Value of the TIF

and requirements of Ohio law relating to either mortgage liens or delinquent real estate taxes; provided that nothing contained in this Agreement shall be deemed to authorize any acceleration of Service Payments due in future years. The provisions of this Section shall encumber and run with the real property comprising the TIF Site.

Notwithstanding anything in this Agreement to the contrary, the School District's rights as third party beneficiary hereunder shall be effective only during the term of the Exemption Period.

SECTION 16. COUNTERPARTS; CAPTIONS. This Service Payment Agreement may be executed in counterpart, and in several counterparts, each of which shall be regarded as an original and all of which shall constitute but one and the same Agreement. Captions have been provided herein for convenience only and shall not affect the construction or interpretation of this Service Payment Agreement.

SECTION 17. GOVERNING LAW AND CHOICE OF FORUM. This Agreement shall be governed by and construed in accordance with the laws of the State of Ohio. All claims, counterclaims, disputes and other matters in question between the City, its agents and employees, and the Developer, its employees, contractors, subcontractors and agents arising out of or relating to this Agreement or its breach will be decided in a state court of competent jurisdiction within the State of Ohio.

SECTION 18. ENTIRE AGREEMENT. This document (with its exhibits) contains the entire agreement between the parties and supersedes any prior discussions, representations, warranties, or agreements between them respecting the subject matter. No changes or amendments shall be made or be binding unless made in writing and signed by each of the parties.

SECTION 19. NO CITY EXPENDITURES. Nothing contained in this Agreement shall be construed to require the City to expend funds in connection with the performance of this Agreement in the 2007 fiscal year.

SECTION 20. ADDITIONAL DOCUMENTS; AMENDMENT. The parties hereto agree for themselves and their respective successors, assigns and transferees, to execute any further agreements, documents or instruments as may be reasonably necessary to fully effectuate the purpose and intent of this Service Payment Agreement in compliance with all laws and ordinances controlling this Service Payment Agreement. Any amendment to this Service Payment Agreement must be in writing and signed by or on behalf of all parties or their respective permitted successors, assigns, and transferees.

SECTION 21. INDEMNIFICATION. In addition to the obligations of the Owner as set forth in Section 7 hereof, the Developer shall indemnify, defend and hold harmless the City and its agents, employees and public officials from and against any and all suits, claims, damages, losses and expenses (including reasonable attorney fees) arising or allegedly arising out of, or resulting from the construction of the Improvements.

## EXHIBIT A

### Legal Description of Columbus Campus TIF Site

The Columbus Campus TIF Site includes the real property described below and shown on the attached site map.

78.386 ACRES

Situate in the State of Ohio, County of Franklin, City of Hilliard, lying in Virginia Military Survey Nos. 3000 and 4854, being all of Tract One and part of Tract Two and Tract Three as conveyed to Wolpert Enterprises, Limited by deed of record in Instrument Number 200204080088414, part of Parcel Two, Tract Two and Parcel Two, Tract Three as conveyed to Ansmil Limited Partnership by deeds of record in Official Record 32225 G17 and 32225 I05, and part of Tract 1 as conveyed to Ansmil Limited Partnership by deed of record in Official Record 32225 G17, (all references refer to the records of the Recorder's Office, Franklin County, Ohio) being more particularly described as follows:

Beginning, for reference, at Franklin County Geodetic Survey Monument Number 0005 RESET found at the centerline intersection of Davidson Road and Leap Road, being the northwesterly corner of said Tract Three;

Thence South  $23^{\circ} 37' 07''$  East, a distance of 1241.49 feet, with the centerline of said Leap Road, and the westerly line of said Tract Three to a magnetic nail set, the TRUE POINT OF BEGINNING;

Thence across said Tract Three, the following courses and distances:

North  $68^{\circ} 44' 53''$  East, a distance of 606.78 feet, to an iron pin set at a point of curvature;

With said curve to the left, having a central angle of  $09^{\circ} 08' 20''$ , a radius of 1099.00 feet, an arc length of 175.29 feet, and a chord which bears North  $60^{\circ} 37' 51''$  East, a chord distance of 175.11 feet, to an iron pin set;

North  $23^{\circ} 37' 07''$  West, a distance of 384.33 feet, to an iron pin set;

Thence North  $84^{\circ} 08' 15''$  East, a distance of 1135.86 feet, across said Tracts Three Two, and said Tract 1, to an iron pin set;

Thence South  $06^{\circ} 18' 57''$  East, a distance of 353.65 feet, continuing across said Tract 1, to an iron pin set at a point of curvature;

Thence with said curve to the left, having a central angle of  $17^{\circ} 44' 53''$ , a radius of 1333.99 feet, an arc length of 413.22 feet, and a chord which bears South  $14^{\circ} 47' 43''$  East, a chord distance of 411.57 feet, across Tract 1 and said Tract Two, to an iron pin set at a point of tangency;

Thence South  $23^{\circ} 40' 10''$  East, a distance of 1074.93 feet, across said Tract Two and said Parcel Two, Tract Two, to an iron pin set at a point of curvature;

Thence across said Parcel Two, Tract Two and Three, the following courses and distances:

With said curve to the right, having a central angle of  $07^{\circ} 56' 29''$ , a radius of 1388.25 feet, an arc length of 192.42 feet, and a chord which bears South  $19^{\circ} 41' 53''$  East, a chord distance of 192.26 feet, to an iron pin set at a point of tangency;

South  $15^{\circ} 13' 22''$  East, a distance of 24.61 feet, to an iron pin set at a point of curvature;

**EXHIBIT B**

**ORDINANCE NO. 07-23**

### EXHIBIT C

The Public Improvements consist generally of:

1. Construction of Britton Parkway between Reynolds Drive and Davidson Road including the Britton Parkway and Davidson Road intersection,
2. Construction of Anson Drive between Lyman Drive and Leap Road including construction of intersections with Britton Parkway and with Leap Road,
3. Construction of improvements to Leap Road between Reynolds Drive and Davidson Road,

## COMPENSATION AGREEMENT

This Compensation Agreement (the "Agreement") is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2007 by and between the **CITY OF HILLIARD, OHIO** (the "City"), a municipal corporation organized and existing under the constitution and the laws of the State of Ohio and its Charter, with its principal offices at 3800 Municipal Way, Hilliard, Ohio 43026, and the **BOARD OF EDUCATION OF THE HILLIARD CITY SCHOOL DISTRICT** (the "School District"), a public school district with its principal offices located at 5323 Cemetery Road, Hilliard, Ohio 43026.

### **WITNESSETH:**

**WHEREAS**, Sections 5709.40, et seq., of the Ohio Revised Code authorize Ohio municipalities to grant real property tax exemptions for improvements declared to be a public purpose, which exempts from taxation the increase in the assessed value of real property after the effective date of the Ordinance granting such exemption; and

**WHEREAS**, Section 5709.42 of the Ohio Revised Code further authorizes a municipality to require owners of improvements (as the term "Improvements" is defined in Section 5709.40(A)(7) of the Ohio Revised Code), that are subject to a tax increment financing tax ("TIF") exemption, to make annual service payments to the municipality in lieu of taxes ("Service Payments"), in the amount of real property taxes that would have been charged and payable against said property as if that property were not exempt from taxation, and which Service Payments are allocable thereto to the Treasurer of Franklin County, Ohio on or before the final due dates for payment of real property taxes; and

**WHEREAS**, Section 5709.43 of the Ohio Revised Code further requires a municipality receiving Service Payments to create a municipal public improvement tax increment equivalent fund ("Fund") for deposit of the entire amount of such Service Payments, subject to use as provided in the ordinance authorizing the TIF; and

**WHEREAS**, the City passed Ordinance No. 07-\_\_\_\_, on \_\_\_\_\_ (the "TIF Ordinance") whereby the City granted an exemption from real property taxation for Improvements to ±78.386 acres located in the City (the "Columbus Campus TIF Site", a description and depiction of which is attached hereto as Exhibit A and incorporated herein); and

**WHEREAS**, the City expects to cause to be made public infrastructure improvements (as described in the TIF Ordinance and referred to herein as the "Public Infrastructure Improvements"), that once made, will directly benefit the Columbus Campus TIF Site; and

**WHEREAS**, the City and the School District will derive substantial and significant benefits from the Improvements and the Public Infrastructure Improvements; and

**WHEREAS**, prior to the passage of the TIF Ordinance, the City delivered its notice and a copy of the TIF Ordinance to the Hilliard City School District ("School District") and to the Central Ohio Joint Vocational School District in accordance with Section 5709.40 of the Ohio

Revised Code, said ordinance providing for an exemption of the real property taxes on the assessed valuation of the Improvements in excess of seventy-five percent (75%) and for a period greater than ten (10) years and providing for the City's execution and delivery of this Agreement to the Hilliard City School District; and

**WHEREAS**, by a Resolution adopted on \_\_\_\_\_, 2007, the Board of the School District granted its approval of the TIF Ordinance and the entering into of this Agreement, and approving the exemption of real property taxes on the increase in the assessed value of the real property in the Columbus Campus TIF Site as provided in the TIF Ordinance, and further waived any additional requirements of Sections 5709.40, 5709.82 and 5709.83 of the Ohio Revised Code on the condition that the City execute and deliver this Agreement; and

**WHEREAS**, to facilitate the construction of the Improvements and to compensate the School District for tax revenues that the School District would have received had the real property in the Columbus Campus TIF Site been improved and not been exempted from taxation, the City and the School District have determined to enter into this Agreement, which Agreement is in the best interest of the City and the School District and will improve the health, safety and welfare of the citizens of the City and the School District.

**NOW, THEREFORE**, in consideration of the premises and mutual covenants contained herein, the parties agree and bind themselves as follows:

Section 1. Calculation of Payments to School District. As provided in the School District Resolution, the School District approves the TIF Exemption for up to one hundred percent (100%) of the Improvements to real property located in the Columbus Campus TIF Site (the "Exempted Property") for a period of up to thirty (30) years ("Exemption Period").

As consideration for the School District entering into this Agreement and to waive the application of Section 5709.82 of the Ohio Revised Code, the City agrees, as to the real property in the Columbus Campus TIF Site, to pay the School District solely from the service payments in lieu of taxes ("Service Payments") collected with respect to the Improvements pursuant to Ohio Revised Code Sections 5709.40, 5709.42 and 5709.43 and the TIF Ordinance, an amount equal to the taxes that would have been payable to the School District during each year Service Payments are made to the City by the Franklin County Treasurer, less an amount equal to the reduction in state aid to the School District that would have occurred with respect to the Improvements, as if the TIF Exemption had not been granted pursuant to the TIF Ordinance ("Compensation Payments").

The City shall transmit the Compensation Payments described in this Section 1 to the School District as provided in Section 2 below. Compensation Payments due to the School District shall be made by the City solely from the Service Payments it receives from the Franklin County Treasurer, and the City shall not be obligated to pay the School District any Compensation Payments in the event that the City does not receive Service Payments.

In the event that the State Foundation Payment formula or procedure is modified, replaced or eliminated during the Exemption Period, the Compensation Payments due from the City to the



School District shall be adjusted accordingly. However, nothing in this Agreement shall be construed or interpreted to pledge the full faith and credit of the City to make Compensation Payments to the School District under this Agreement, nor shall the City be obligated to make Compensation Payments in excess of the amount of Service Payments that it receives from the County Treasurer.

After the payments described above are satisfied in full, the City may use any remaining Service Payments in the manner and to the extent permitted by law and the TIF Ordinance.

Section 2. Payment of Compensation Payments to the School District. Within thirty (30) days after the County Treasurer issues its twice-yearly real property tax bills, the School District's Treasurer shall certify to the City the amount of Compensation Payment due from the City. The City shall pay to the School District, by bank or cashier's check or direct deposit, the amount of the Compensation Payment within thirty (30) days thereafter from the Service Payments.

Section 3. Ohio Revised Code Section 5709.82. As consideration for the City's agreement to make the Compensation Payments to the School District as provided for herein, the School District agrees that the compensation provided for herein is in lieu of any other compensation that may be provided for in Section 5709.82 Revised Code.

Section 4. Amendment. This Agreement may be amended or modified by the parties only in writing, signed by both parties to the Agreement, and approved by the Hilliard City Council and the School Board, if required.

Section 5. Resolution of Disputes.

In the event the City disputes the amount of Compensation Payment as certified by the District's Treasurer in accordance with Section 1 herein, the City shall certify in writing to the School District within thirty (30) days, the basis for the dispute and the amount that the City claims is the correct amount of Compensation Payment to be paid to the School District. Within ten (10) days thereafter, the City and the School District shall meet to discuss and resolve the dispute. In the event the School District and the City are unable to mutually agree on the amount of Compensation Payment, the parties shall next seek a third party mediator, sufficiently knowledgeable in calculating school funding and application of the state funding formula, to settle the dispute, and the mediator shall determine the amount of Compensation Payment to be made by the City ("Mediated Compensation Payment"). The City shall then pay the Mediated Compensation Payment to the School District within thirty (30) days after the final mediation or after the mediator issues his/her written decision if a decision is not made at the final mediation, provided that nothing contained in this Section 5 shall limit either the School District's or the City's ability, after payment and receipt of such Mediated Compensation Payment, to seek recovery of amounts deemed overpaid or underpaid. The mediator has the authority to allocate the costs of mediation, including attorney fees, in his/her decision. If the mediator does not allocate such costs, then the City and the School District shall each pay their own costs.

Section 6. Entire Agreement; Waiver of Notice. This Agreement sets forth the entire agreement and understanding between the parties as to the subject matter hereof and merges and supersedes all prior discussions, agreements, and undertakings of every kind and nature between the parties with respect to the subject matter of this Agreement. With respect to the notice dated from the City to the School District given pursuant to Section 5709.40 of the Revised Code, the School District hereby waives any defects or irregularities relating to the period for which the Improvements will be exempted from taxation. The parties agree to take such actions as may be necessary to effect the provisions of this Agreement, the distribution of the Service Payments as contemplated herein and the exemptions provided in the TIF Ordinance.

Section 7. Notices. All payments, certificates and notices which are required to or may be given pursuant to the provisions of this Agreement shall be sent by United States ordinary mail, postage prepaid, and shall be deemed to have been given or delivered when so mailed to the following addresses:

If to the City:

City of Hilliard  
3800 Municipal Way  
Hilliard, Ohio 43026  
Attention: Mayor

If to the School District:

Hilliard City School District  
5323 Cemetery Road  
Hilliard, Ohio 43026  
Attention: Treasurer

With a required copy to:

City of Hilliard, Finance Director  
3800 Municipal Way  
Hilliard, Ohio 43026

Either party may change its address for receiving notices and reports by giving written notice of such change to the other party.

Section 8. Severability of Provisions. The invalidity of any provision of this Agreement shall not affect the other provisions of this Agreement, and this Agreement shall be construed in all respects as if any invalid portions were omitted.

Section 9. Counterparts. This Agreement may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument, and any party to this Agreement may execute this Agreement by signing any such counterpart.

**CITY OF HILLIARD, OHIO**

**BOARD OF EDUCATION OF THE  
HILLIARD CITY SCHOOL DISTRICT**

By: \_\_\_\_\_  
Mayor

By: \_\_\_\_\_  
Superintendent

By: \_\_\_\_\_  
Treasurer

By: \_\_\_\_\_  
President of the Board of Education

Approved as to form:

\_\_\_\_\_  
Pamela A. DeDent, Law Director  
City of Hilliard, Ohio

**FISCAL OFFICER'S CERTIFICATE**

As the Fiscal Officer of the City of Hilliard, Ohio, I, Michelle Kelly-Underwood, certify that the money required to meet the obligations of the City of Hilliard under the attached agreement during the year 2007 has been lawfully appropriated by the Council of the City for those purposes and is in the treasury of the City or in the process of collection to the credit of the appropriate fund, free from any previous encumbrances. This certificate is given in compliance with Section 5705.41 of the Ohio Revised Code.

Dated: March \_\_, 2007

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Director of Finance  
City of Hilliard, Ohio

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Robert C. Montgomery  
Franklin County Recorder

### SERVICE PAYMENT AGREEMENT

THIS SERVICE PAYMENT AGREEMENT (the "Agreement" or the "Service Payment Agreement") is made and entered into as of the 12 day of May 2007, between the CITY OF HILLIARD, OHIO (the "City"), a municipal corporation, having an address for purposes hereof at 3800 Municipal Way, Hilliard, Ohio 43026, and COLUMBUS CAMPUS, LLC (the "Developer"), a Maryland limited liability company, having an address for purposes hereof at 701 Maiden Choice Lane, Baltimore, Maryland 21228.

### WITNESSETH:

WHEREAS, the Developer is exploring the development of an approximately 83-acre site (the "Development Site") located within the municipal corporate boundaries of the City as a continuing care retirement community (the "Development"); and

WHEREAS, upon completion the Development would significantly increase the assessed valuation of the Development Site; and

WHEREAS, an approximately 78.386-acre portion of the Development Site would be developed as an independent living facility as part of the Developer's continuum of care (the "TIF Site"), which TIF Site is identified and described in Exhibit A hereto incorporated by reference herein and is located within the municipal corporate boundaries of the City, and the territorial boundaries of the County of Franklin, Ohio (the "County") and the Hilliard City School District (the "School District"); and

WHEREAS, the Developer (collectively, with its successors and assigns, as owners of the parcels included in the TIF Site, the "Owners") has contracted to purchase a fee simple interest in the TIF Site identified in Exhibit A; and

WHEREAS, pursuant to Ohio Revised Code ("O.R.C.") Sections 5709.40, 5709.42 and 5709.43 (together with related provisions of the Ohio Revised Code, the "TIF Act"), and Ordinance No. 07-23 (Amended) passed by the Council of the City ("City Council") on March 26, 2007, a copy of which is attached as Exhibit B hereto and incorporated herein by reference (the "TIF Ordinance"), the City has, among other actions: (1) declared the improvements to the real property (the "Improvements") included in the TIF Site to be a public purpose and exempt from real property taxation for a period of up to thirty (30) years; (2) provided for service payments in lieu of taxes (the "Service Payments"), as an obligation running with the land for the Exemption Period, as defined herein, payable with respect to the real property comprising the TIF Site; (3) described and authorized certain Infrastructure Improvements (as identified in Exhibit B to the TIF Ordinance) to be paid from the Service Payments; and (4) determined to enter into this Service Payment Agreement with the Developer, to provide for the payment of the Service Payments by the Developer with respect to certain real property owned by the Developer, its successors and assigns, and to provide for the use of the Service Payments to pay costs of or relating to the Infrastructure Improvements, among other uses provided by Ohio law, for the Exemption Period, as defined herein; and

WHEREAS, pursuant to the TIF Act, the TIF Ordinance and this Service Payment Agreement, the Developer wishes to agree, for itself and for each of its successors and assigns as Owners of all or any portion of or interest in any of the real property comprising the TIF Site, effective at such time as the Developer becomes an Owner of the TIF Site, and to pay Service Payments in an amount equal to the amount of real property taxes that would have been paid with respect to the real property comprising the TIF Site had the TIF Exemption not been granted by the City under the TIF Act and the TIF Ordinance and applied for and allowed thereunder; and

## SERVICE PAYMENT AGREEMENT

THIS SERVICE PAYMENT AGREEMENT (the "Agreement" or the "Service Payment Agreement") is made and entered into as of the 12 day of May 2007, between the **CITY OF HILLIARD, OHIO** (the "City"), a municipal corporation, having an address for purposes hereof at 3800 Municipal Way, Hilliard, Ohio 43026, and **COLUMBUS CAMPUS, LLC** (the "Developer"), a Maryland limited liability company, having an address for purposes hereof at 701 Maiden Choice Lane, Baltimore, Maryland 21228.

### WITNESSETH:

WHEREAS, the Developer is exploring the development of an approximately 83-acre site (the "Development Site") located within the municipal corporate boundaries of the City as a continuing care retirement community (the "Development"); and

WHEREAS, upon completion the Development would significantly increase the assessed valuation of the Development Site; and

WHEREAS, an approximately 78.386-acre portion of the Development Site would be developed as an independent living facility as part of the Developer's continuum of care (the "TIF Site"), which TIF Site is identified and described in Exhibit A hereto incorporated by reference herein and is located within the municipal corporate boundaries of the City, and the territorial boundaries of the County of Franklin, Ohio (the "County") and the Hilliard City School District (the "School District"); and

WHEREAS, the Developer (collectively, with its successors and assigns, as owners of the parcels included in the TIF Site, the "Owners") has contracted to purchase a fee simple interest in the TIF Site identified in Exhibit A; and

WHEREAS, pursuant to Ohio Revised Code ("O.R.C.") Sections 5709.40, 5709.42 and 5709.43 (together with related provisions of the Ohio Revised Code, the "TIF Act"), and Ordinance No. 07-23 (Amended) passed by the Council of the City ("City Council") on March 26, 2007, a copy of which is attached as Exhibit B hereto and incorporated herein by reference (the "TIF Ordinance"), the City has, among other actions: (1) declared the improvements to the real property (the "Improvements") included in the TIF Site to be a public purpose and exempt from real property taxation for a period of up to thirty (30) years; (2) provided for service payments in lieu of taxes (the "Service Payments"), as an obligation running with the land for the Exemption Period, as defined herein, payable with respect to the real property comprising the TIF Site; (3) described and authorized certain Infrastructure Improvements (as identified in Exhibit B to the TIF Ordinance) to be paid from the Service Payments; and (4) determined to enter into this Service Payment Agreement with the Developer, to provide for the payment of the Service Payments by the Developer with respect to certain real property owned by the Developer, its successors and assigns, and to provide for the use of the Service Payments to pay costs of or relating to the Infrastructure Improvements, among other uses provided by Ohio law, for the Exemption Period, as defined herein; and

WHEREAS, pursuant to the TIF Act, the TIF Ordinance and this Service Payment Agreement, the Developer wishes to agree, for itself and for each of its successors and assigns as Owners of all or any portion of or interest in any of the real property comprising the TIF Site, effective at such time as the Developer becomes an Owner of the TIF Site, and to pay Service Payments in an amount equal to the amount of real property taxes that would have been paid with respect to the real property comprising the TIF Site had the TIF Exemption not been granted by the City under the TIF Act and the TIF Ordinance and applied for and allowed thereunder; and

WHEREAS, the School District has approved the real property tax exemptions provided for in the TIF Ordinance and has waived notice requirements under the terms set forth in the Compensation Agreement between the City and the School District dated May 15, 2007 (the "School Compensation Agreement");

NOW, THEREFORE, in consideration of the premises and the mutual covenants hereinafter contained, the City and the Developer, covenant, agree, and bind themselves as follows:

SECTION 1. TERMS. For the purposes of this Agreement the following terms shall have the meaning set forth opposite each term:

"Accounts" means the School District Account, Special Account, and Excess Account.

"Assigned Service Payments" means the portion of the Service Payments credited to the Special Account of the TIF Fund from time to time pursuant to Section 5 hereof.

"City" means the City of Hilliard, Ohio

"City Council" means the Council of the City of Hilliard, Ohio.

"County" means the County of Franklin, Ohio.

"Developer" means Columbus Campus, LLC, its successors and assigns.

"Development" means a continuing care retirement community located on approximately 83 acres.

"Excess Account" means the Account in the TIF Fund into which Excess Service Payments are deposited pursuant to Section 5 hereof.

"Excess Service Payments" means amounts remaining in the TIF Fund and credited to the Excess Account following the required deposits to the School District Account and the Special Account pursuant to Section 5 hereof.

"Exemption Period" means the period commencing with the tax year (not earlier than the date that the Developer closes on the purchase of the TIF Site) in which the Improvement first appears on the tax list and duplicate of real and public utility property (the "Commencement Date") and ending on the earlier to occur of (a) the thirtieth (30th) anniversary of such Commencement Date, or (b) the date on which any obligations of the City, or any other government entity authorized under Ohio law issued to finance the cost of making the Infrastructure Improvements, are paid in full.

"Improvement" and "Improvements" means the increase in the assessed value of any real property comprising the TIF Site that would first appear on the tax list and duplicate of real and public utility property after the effective date set forth in the TIF Ordinance passed under the TIF Act were it not for the exemption granted by the TIF Ordinance, and, with respect to this Agreement, the improvements made by the Owners to the TIF Site.

"Infrastructure Improvements" means those Infrastructure Improvements identified in Exhibit B to the TIF Ordinance.

"O.R.C." means Ohio Revised Code.

"Obligee" means the City, the Treasurer of the County, any governmental issuer of bonds to finance the Public Improvements, and the holders of such bonds.

"Owners" means the owners from time to time, including the Developer, of the real property comprising the TIF Site.

"Public Improvements" means the specific Infrastructure Improvements identified in Exhibit C hereof.

"School Compensation Agreement" means the Compensation Agreement between the City and the School District, dated *May 15, 2007* *June*.

"School Compensation Amount" means the amount to be paid to the School District in accordance with the terms of the School Compensation Agreement from monies deposited into the School District Account of the TIF Fund pursuant to Section 5 hereof.

"School District" means the Hilliard City School District.

"School District Account" means the Account in the TIF Fund into which the School Compensation Amount shall be deposited and from which the School Compensation Amount is paid in accordance with the terms of the School Compensation Agreement.

"Service Payment Agreement" means this Agreement.

"Service Payments" means the payments to be made in lieu of taxes by the Owners of the real property comprising the TIF Site pursuant to the terms of this Agreement.

"Service Payment Dates" means the final date (after the effective date hereof) for payment of the first semiannual installment of real property taxes that would have been payable with respect to any of the Improvements but for the TIF Exemption, and shall thereafter be the semiannual dates for the payment of installments of real property taxes (or such other installments as may then be required or allowed with respect to real property taxes in the state of Ohio) on or before the final date for payment (without delinquency) of each installment of real property taxes in such year and each year thereafter.

"Special Account" means the Account in the TIF Fund into which Assigned Service Payments are deposited.

"TIF Act" means Sections 5709.40 through 5709.43 of the Ohio Revised Code, together with related provisions of the Ohio Revised Code.

"TIF Exemption" has the meaning given to that term in Section 1 of the TIF Ordinance.

"TIF Fund" means the City's Municipal Public Improvement Tax Increment Equivalent Fund.

"TIF Ordinance" means Ordinance No. 07-23 (Amended), passed by the City Council on March 26, 2007, as the same may be amended from time to time.



"TIF Site" means the approximately 78.386-acre site upon which the independent living facilities and associated common community facilities will be constructed, and described in Exhibit A.

SECTION 2. DEVELOPMENT. In the event (a) that this Agreement becomes effective in the manner provided in Section 12 hereof and (b) Britton Parkway is constructed such that the Developer has received its first occupancy permit as required under the Ansmil PUD Development Text dated March 28, 2007, approved by the Hilliard City Council (a copy of which is in the office of the Clerk of Council), the Developer guarantees that, upon full build-out of the TIF Site and appraisal by the County Auditor (but in no event later than construction year 2017), the true value (presently identified as "Market Total Value" on the records of the County Auditor) of the TIF Site (as determined by the County Auditor and referred to herein as the "True Value") shall be sustained annually during the term of this Agreement in an amount not less than One Hundred Forty Million Dollars (\$140,000,000) (the "Minimum Value").

SECTION 3. PUBLIC IMPROVEMENTS. The parties intend that the Developer shall endeavor to cause the creation of a new community authority (the "Authority") and district in accordance with O.R.C. Chapter 349 with respect to the TIF Site, and subject to compliance with the terms and conditions of this Agreement by the Developer, the City hereby consents to the creation of the Authority. The Authority shall undertake the construction and financing of the costs of the Public Improvements in accordance with all applicable laws. The City agrees to enter into such agreements as shall be necessary to provide for the transfer of the Assigned Service Payments and Impact Fees (as defined in Section 6 below) to the Authority or to the trustee for bonds or other obligations issued by the Authority to finance the Public Improvements as provided herein; provided however, that nothing contained in this Agreement shall require the City to undertake the construction of the Public Improvements, issue its bonds to finance the Public Improvements, pledge any of the revenues of the City (other than the Assigned Service Payments, Impact Fees, or relevant portion of the TIF Fund) for the payment of costs of the Public Improvements or the debt service charges on the bonds (other than as specifically provided in this Agreement), and none of the obligations of the City under this Agreement shall constitute a general obligation, debt or bonded indebtedness of the City. The parties acknowledge that: (1) time is of the essence with respect to the completion of the Public Improvements, and (2) the Authority shall be responsible for the construction and financing of the Public Improvements (and the Authority shall cause contractors with respect to the Public Improvements to further indemnify and hold harmless the City and its agents, employees and public officials from and against any and all suits, claims, damages, losses, and expenses (including reasonable attorney fees) arising or allegedly arising out of, or resulting from the construction of the Public Improvements), and (3) the City shall not be responsible for the construction and financing of the Public Improvements but agrees to use its best efforts to enter into the agreements with the Authority described in this Section within a time period sufficient to result in the financing and construction of the Public Improvements for completion and operation by August 31, 2008; provided, however, that the City shall have no liability for failure to meet this deadline.

It is a requirement of the zoning approval for the Ansmil PUD (of which the TIF Site and the Public Improvements are a part) that any land needed for the Public Improvements shall be dedicated to the City by the developer(s) of the Ansmil PUD. However, in the event that land shall be needed for the portion of the Public Improvements consisting of the Leap Road Improvements and the intersection at Davidson Road and Britton Parkway, to the extent such land is not under the control of the developer(s) of the Ansmil PUD, and, if the Authority is unable to acquire the property rights sufficient for those portions of the Public Improvements to be made, then the City may agree to negotiate with the property owners under its municipal authority upon approval by the Hilliard City Council. Any costs associated therewith (including reasonable attorneys' fees) shall be repaid by the Authority to the City from the proceeds of the debt financing.

SECTION 4. TAX EXEMPTION; OBLIGATION TO MAKE SERVICE PAYMENTS. Pursuant to the TIF Act and the TIF Ordinance, the City has declared that 100% of the Improvements to the TIF Site are a public purpose entitled to exemption from real property taxation for the Exemption Period. During the term of this Service Payment Agreement, the Service Payments to be made by the Owners will equal the real property taxes that would have been payable with respect to 100% of the Improvements to the TIF Site had such exemption not been granted, which Service Payments will vary from time to time, including as the assessed value of the real property comprising the TIF Site (and of the Improvements) and the applicable tax rates vary. Each of the Owners shall pay the Service Payments, when due, on each applicable Service Payment Date until termination or expiration of this Service Payment Agreement.

In the event that any Service Payment or any installment thereof, is not paid when due by any Owner on any Service Payment Date, to the extent that the County does not impose a late fee or delinquency charge, the City may impose and collect a late payment charge, payable to the City, in the amount of the charges for late payment of real property taxes, including penalty and interest, which would have been paid pursuant to O.R.C. Section 323.121 on the delinquent amount.

Except with respect to the Minimum Value guarantee described in Section 2 hereof, no Owner shall, under any circumstances, be required to pay both real property taxes with respect to an Improvement and Service Payments for any tax year with respect to that Improvement, whether pursuant to O.R.C. Section 4709.42, the TIF Ordinance, this Agreement or any other applicable law.

SECTION 5. DEPOSITS OF SERVICE PAYMENTS. Upon receipt by the City from the County, the Service Payments shall be deposited into the TIF Fund and credited to the following Accounts in the priority set forth below:

FIRST: The portion of the Service Payment, representing the School Compensation Amount, as calculated in accordance with the terms of the School Compensation Agreement, shall be credited to the School District Account; and

SECOND: A portion of the Service Payment representing that amount required to pay the principal, interest, and related costs, fees and expenses of the bonds or other obligations issued to finance the Public Improvements, including the funding of any reserves for such bonds, due in that year, shall be credited to the Special Account; and

THIRD: That portion of the Service Payment remaining after the deposits required in FIRST and SECOND above shall constitute Excess Service Payments and be credited to the Excess Account.

Amounts credited to the Special Account shall constitute Assigned Service Payments that may be assigned to the trustee for any obligations issued to finance Public Improvements.

Excess Service Payments shall be used first to be deposited to the Special Account to pay debt service or other charges on the bonds issued to finance the Public Improvements to the extent required and, after December 15 of each year, any unused Excess Service Payments may then be used by the City for such purposes authorized by the TIF Act and the TIF Ordinance.

Any supplemental payments required to be made pursuant to the Minimum Value guarantee portions of this Agreement shall be credited to the Accounts in the same relative proportion as the Service Payments are required to be deposited under this Section 5.

SECTION 6. APPLICATION OF IMPACT FEES. In accordance with Chapter 1187 of the City Code, the Developer is required to pay development impact fees in the amount of \$1,500 per independent living unit developed on the TIF Site (the "Impact Fees"). The City agrees, for the first ten years that this

Agreement is in effect, to deposit the Impact Fees received with respect to the TIF Site into the Special Account or such other fund provided in the trust agreement or indenture executed in connection with the issuance of the bonds (or other obligations) issued by the Authority to finance the Public Improvements and that such amounts will be available during such ten-year period to pay the debt service charges on (including the funding of reserves for) such bonds (or other obligations). At the end of such ten-year period, any Impact Fees that have not been used to pay debt service charges on (including the funding of reserves for) the bonds (or other obligations) issued to finance the Public Improvements shall be released from the lien of the trust agreement or indenture and shall be transferred to the City and used for any lawful purpose. Notwithstanding anything herein to the contrary, if in any year the amount of Service Payments on deposit in the Special Account is at least one and one-half times the average annual debt service charges on the bonds (or other obligations) issued to finance the Public Improvements, then the City shall not be required to deposit Impact Fees into the Special Account for that year.

#### SECTION 7. ADDITIONAL OBLIGATIONS.

A. Should any Owner default hereunder, such Owner shall pay in addition to the Service Payments such amount as is required to reimburse the City and any other Obligee for any and all reasonably and actually incurred costs, expenses and amounts (including reasonable attorneys' fees) incurred by the City and any other such Obligee to enforce the provisions of this Service Payment Agreement.

B. Promptly upon the effective date of this Service Payment Agreement, the Developer shall, at its sole cost and expense, cause this Service Payment Agreement to be recorded in the Franklin County, Ohio real property records, it being understood and agreed that the lien of this Service Payment Agreement shall, in accordance with O.R.C. Sections 323.11 and 5709.91, be prior to any mortgage, assignment, lease or other conveyance of any part of or interest in the TIF Site, and prior to any security instrument encumbering all or any part of or interest in the Improvements; provided, however, that nothing contained in this Agreement shall be construed to permit acceleration of the Service Payments beyond the current year that such Service Payments are due. During the term of this Service Payment Agreement, the Owners shall each cause all instruments of conveyance of any interest in all or any portion of the TIF Site, and of any improvements thereto, to subsequent mortgagees, lessees, successors, assigns or transferees, to be made expressly subordinate and subject to this Service Payment Agreement.

C. The obligation to perform and observe the agreements on the Owners' parts contained herein shall be binding and enforceable against each and every Owner by the County Treasurer, to the extent applicable, and shall also, to the extent permitted by law, be enforceable by the City, the School District to the extent provided in this Agreement, and by each of the other Obligees, as intended third-party beneficiaries of this Service Payment Agreement, including the holders from time to time of any of the bonds issued to finance the Public Improvements and any trustee with respect to such bonds, but subject to the provisions of Sections 8, 12 and 15 hereof.

#### SECTION 8. BINDING NATURE OF OBLIGATIONS; SECURITY FOR PAYMENT.

Anything herein to the contrary notwithstanding, upon the effective date of this Agreement, the Owners' obligation hereunder to pay Service Payments and to perform and observe any other agreements on their part contained herein (but expressly subject to Section 2 hereof), shall be absolute and unconditional and shall be covenants running with the land and shall be binding and enforceable by the City, the School District to the extent provided in this Agreement, the holders from time to time of any bonds issued to finance the Public Improvements, and the trustee for such bonds, against the Owners, as applicable, but only to the extent of the respective Owners' obligations and only with respect to its or their interest in the

TIF Site and the Improvements, or any part thereof or any interest therein. Each Owner's obligation to pay the Service Payments and any payments under the Minimum Value guarantee shall be secured by a lien on its interest in the TIF Site and the Improvements, as provided by law and described in Section 15.

Subject to the provisions of Section 2 hereof, the obligations of the Owners will not be terminated for any cause including, without limiting the generality of the foregoing, but by way of example, delay in completion of or failure to complete the Improvements or any other improvements included in the Development, the Infrastructure Improvements or any other obligation of the City or the Developer hereunder; any acts or circumstances that may constitute failure of consideration, destruction of or damage to the Development or the Infrastructure Improvements; commercial frustration of purpose; any change in the constitution, tax or other laws or judicial decisions or administrative rulings of or administrative actions by or under authority of the United States of America or of the State or any political subdivision thereof. Except as may be expressly provided herein, nothing contained in this Service Payment Agreement shall be construed to release any Owner from the performance of any of the agreements or obligations on its part contained in this Service Payment Agreement.

SECTION 9. PAYMENT OF TAXES; CONTESTS. Each Owner shall pay, cause, or require to be paid, as the same become due, all taxes, assessments, whether general or special, and governmental charges of any kind whatsoever that may at any time be lawfully assessed or levied against or with respect to the TIF Site (except as otherwise provided herein) or any personal property or fixtures installed or brought therein or thereon (including, without limiting the generality of the foregoing, and by way of example, any taxes levied against an Owner with respect to the receipts, income or profits from leasing or subleasing space within the Improvements, which, if not paid, may become or be made a lien on all or any portion of the TIF Site) and all utility and other charges incurred in the operation, maintenance, use, occupancy and upkeep of the TIF Site. Notwithstanding the foregoing, nothing herein is intended to prevent any Owner (or a successor, assign or transferee), at its expense and in good faith from contesting the amount or validity of any taxes, assessments or other charges (including but not limited to seeking a reduction in the valuation of the TIF Site), and the only recourse of the City to enforce the payment of those items will be to the TIF Site, and the interest or interests of the respective Owner therein; provided, however, that in the event that any such contest or a tax exemption for all or a portion of the Improvements results in a reduction in the True Value of the TIF Site to an amount less than \$140,000,000, then, in addition to paying the Service Payment to the Franklin County Treasurer, the Owner shall make a supplemental payment to the City in an amount equal to the real property taxes that would have been assessed on the difference between the True Value of the TIF Site and \$140,000,000 of True Value, but only if the Public Improvements are constructed as provided herein. Nothing in this Service Payment Agreement shall require an Owner or any other person to pay or reimburse for payment of any Federal, State or local tax of any kind or character (whether based on gross or net income, gross receipts or otherwise) which is imposed or levied on the City, or any other entity, on funds held by the trustee for bonds issued to finance the Public Improvements or by a depository of the City, or on the holders of such bonds or any other Obligations.

SECTION 10. NOTICES. All notices, designations, certificates, requests or other communications under this Service Payment Agreement shall be sufficiently given and shall be deemed given on receipt when personally delivered, or 48 hours after being mailed by registered or certified mail, postage prepaid: if to the City at 3800 Municipal Way, Hilliard, Ohio 43026, Attention: Mayor, with copies to the Finance Director and the Director of Law at the same address; and, if to the Developer, at its registered address for tax bills. The City and the Developer may, by notice given under this Service Payment Agreement, designate any further or different addresses to which subsequent notices, designations, certificates, requests or other communications shall be sent, and shall provide copies of all such communications to any of the others to all of the others.

SECTION 11. EXEMPTION APPLICATIONS. Promptly upon the effective date of this Service Payment Agreement, the Developer shall consent in writing on the required DTE 24P form (or any other applicable or required forms) to the City's application for exemption from real property taxation with respect to the TIF Site pursuant to O.R.C. Section 5709.911(B)(1). The City and the Developer shall cooperate with each other, and execute such further documents and provide such further information as are reasonably required in connection with the filing and processing of such applications. The parties hereto intend that such exemption from real property taxation will apply initially to the 2008 tax year and shall use due diligence and commercially reasonable efforts to that end. The Developer shall continuously use due diligence and employ commercially reasonable efforts to keep such exemptions in force, not permitting the same to lapse or be suspended or revoked for any reason within the Developer's control.

SECTION 12. EFFECTIVE DATE; DURATION OF AGREEMENT. This Service Payment Agreement shall become effective on the date that the Developer (a) has acquired fee simple title to the TIF Site and (b) has delivered written notice to the City that the Developer intends to proceed with the Development. If the conditions set forth in (a) and (b) above are not satisfied by January 31, 2008, then this Agreement shall be null and void. Unless sooner terminated, this Agreement shall expire at the end of the Exemption Period; provided, however, that the covenant of the Developer that the True Value of the TIF Site shall be at least equal to the Minimum Value (subject to the conditions set forth in Section 2 and Section 9 hereof) shall survive the termination or expiration of this Agreement and remain in effect for 30 years from the effective date of this Agreement. For any year that this Agreement remains in effect, if the Exemption Period has expired and, because the TIF Site is not assessed and taxed for real property tax purposes at a True Value of at least \$140,000,000 (other than as a result in a change in State law), the Owner of the TIF Site is not making real property tax payments based on a True Value of at least \$140,000,000, then the Owner of the TIF Site shall make payments in lieu of taxes to the City in an amount equal to the real property taxes that would be payable on \$140,000,000 True Value less the amount of real property taxes actually paid on the TIF Site. Such amounts shall be paid directly to the City at the same time that real property taxes are due and payable. Upon expiration or termination of this Agreement, the City will cause this Service Payment Agreement to be cancelled of record.

SECTION 13. APPLICATION OF SERVICE PAYMENTS. The Service Payments shall be made by or on behalf of the Owners to the Franklin County Treasurer (or to or on behalf of the City if so authorized by the Franklin County Treasurer) on or before the applicable Service Payment Dates. Upon receipt of the Service Payments from the Franklin County Treasurer, the City shall deposit the Service Payments in the TIF Fund; provided that all such amounts received by the City shall be allocated to and deposited in the Accounts as provided herein. Each Service Payment received by the City shall be used as set forth in Section 5 hereof.

SECTION 14. DEFAULTS AND REMEDIES. The following shall be events of default under this Service Payment Agreement:

- (a) the failure of the Developer to pay no later than the fifth calendar day following its due date any Service Payment, or any installment thereof, due by the Developer as an Owner, including any applicable late payment charges;
- (b) the failure of the Developer to perform or observe any other covenant made by it in or pursuant to this Service Payment Agreement, which failure shall continue for more than thirty (30) days following written notice thereof by the City.

Upon the occurrence and continuation of any event of default, in addition to other rights of enforcement granted hereunder, the City shall be entitled to exercise any and all remedies available to it

hereunder, including the remedies described in Section 15, or under applicable law. Waiver by the City of any event of default shall not be deemed to extend to any subsequent or other event of default under this Service Payment Agreement.

SECTION 15. ENFORCEMENT; FORECLOSURE OF LIEN. The provisions of this Service Payment Agreement may be enforced to the fullest extent permitted by law, by the City and the Treasurer of the County of Franklin (Ohio) and, with respect to the obligations of the Developer and the other Owners, to the fullest extent permitted by law, by the School District to the extent provided in this Agreement, and to the extent applicable, any of the Obligees. It is the intention and agreement of the Developer, as an Owner, that this Service Payment Agreement and the covenants herein made shall be specifically enforceable by the City, by the School District to the extent provided in this Agreement, and by each of the Obligees against the Owners, by mandatory injunction or any other remedy at law or in equity, subject to Sections 8 and 12 hereof. It is the further intention and agreement of the Developer, as an Owner, that this Service Payment Agreement shall constitute and be deemed to be a lien encumbering and running with the real property comprising the TIF Site to secure the obligations of the Owners to make Service Payments and any payments under the Minimum Value guarantee (and, if applicable, pay interest and penalties), intended to have the same lien rights as real estate taxes and the same priority in accordance with O.R.C. §§323.11 and 5709.91. In furtherance of the foregoing, it is the intention of the Developer, as an Owner, that the City or the Obligees may, upon the occurrence of an event of default set forth in Section 14 hereof, and without limiting any other right or remedy otherwise available to the City, the School District or any such Obligee, take all such steps as may be legally available to it to foreclose upon such lien pursuant to the procedures and requirements of Ohio law relating to either mortgage liens or delinquent real estate taxes; provided that nothing contained in this Agreement shall be deemed to authorize any acceleration of Service Payments due in future years. The provisions of this Section shall encumber and run with the real property comprising the TIF Site.

Notwithstanding anything in this Agreement to the contrary, the School District's rights as third party beneficiary hereunder shall be effective only during the term of the Exemption Period.

SECTION 16. COUNTERPARTS; CAPTIONS. This Service Payment Agreement may be executed in counterpart, and in several counterparts, each of which shall be regarded as an original and all of which shall constitute but one and the same Agreement. Captions have been provided herein for convenience only and shall not affect the construction or interpretation of this Service Payment Agreement.

SECTION 17. GOVERNING LAW AND CHOICE OF FORUM. This Agreement shall be governed by and construed in accordance with the laws of the State of Ohio. All claims, counterclaims, disputes and other matters in question between the City, its agents and employees, and the Developer, its employees, contractors, subcontractors and agents arising out of or relating to this Agreement or its breach will be decided in a state court of competent jurisdiction within the State of Ohio.

SECTION 18. ENTIRE AGREEMENT. This document (with its exhibits) contains the entire agreement between the parties and supersedes any prior discussions, representations, warranties, or agreements between them respecting the subject matter. No changes or amendments shall be made or be binding unless made in writing and signed by each of the parties.

SECTION 19. NO CITY EXPENDITURES. Nothing contained in this Agreement shall be construed to require the City to expend funds in connection with the performance of this Agreement in the 2007 fiscal year.

SECTION 20. ADDITIONAL DOCUMENTS; AMENDMENT. The parties hereto agree for themselves and their respective successors, assigns and transferees, to execute any further agreements,

documents or instruments as may be reasonably necessary to fully effectuate the purpose and intent of this Service Payment Agreement in compliance with all laws and ordinances controlling this Service Payment Agreement. Any amendment to this Service Payment Agreement must be in writing and signed by or on behalf of all parties or their respective permitted successors, assigns, and transferees.

**SECTION 21. INDEMNIFICATION.** In addition to the obligations of the Owner as set forth in Section 7 hereof, the Developer shall indemnify, defend and hold harmless the City and its agents, employees and public officials from and against any and all suits, claims, damages, losses and expenses (including reasonable attorney fees) arising or allegedly arising out of, or resulting from the construction of the Improvements.

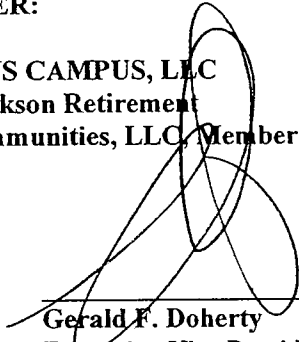
The parties have caused this Service Payment Agreement to be executed by their duly authorized officers, effective as of the date first written above.

**DEVELOPER:**

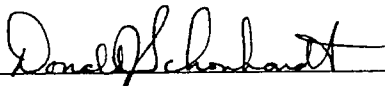
**COLUMBUS CAMPUS, LLC**

By: Erickson Retirement  
Communities, LLC, Member

By:

  
Gerald F. Doherty  
Executive Vice President,  
General Counsel and  
Secretary

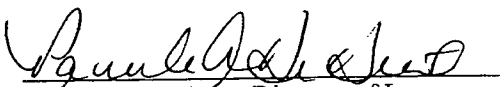
**THE CITY OF HILLIARD, OHIO**

By: 

Its Mayor

Print Name Donald J. Schonhardt

**Approved as to form:**

  
Pamela A. DeDent, Director of Law  
City of Hilliard

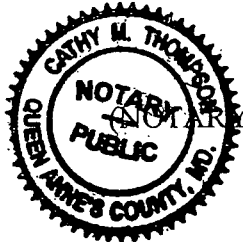
This Instrument Prepared By: Price D. Finley, Esq., Bricker & Eckler LLP,  
100 South Third Street, Columbus, Ohio 43215

STATE OF MARYLAND

COUNTY OF BALTIMORE

On this the 23<sup>rd</sup> day of May, 2007, before me, Cathy M. Thompson, the undersigned officer, personally appeared Gerald F. Doherty, who acknowledged himself to be the Executive Vice President, General Counsel and Secretary of Erickson Retirement Communities, LLC, a Maryland limited liability company, as sole Member of Columbus Campus, LLC, a Maryland limited liability company, and that he, as such Executive Vice President, General Counsel and Secretary being authorized to do so, executed the foregoing Service Payment Agreement for the purposes therein contained, by signing the name of the company by himself as such officer.

Witness my hand and seal.



(NOTARY SEAL)

Cathy M. Thompson  
Notary Public, State of Maryland

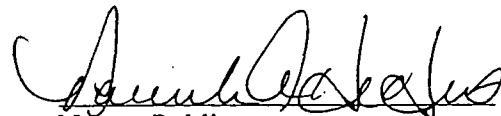
My Commission Expires:

CATHY M. THOMPSON  
Notary Public  
Queen Anne's County, Maryland  
My Commission Expires December 1, 2007



STATE OF OHIO  
COUNTY OF FRANKLIN

The foregoing Service Payment Agreement was signed before me on May 24, 2007 by Donald J. Schonhardt, as Mayor of the City of Hilliard, an Ohio municipal corporation, who acknowledged the signing thereof to be his voluntary act and deed, on behalf of the municipal corporation.

  
Notary Public



PAMELA A DeDENT  
Attorney At Law  
Notary Public, State of Ohio  
My commission has no expiration date  
Sec. 147.03 R.C.

**EXHIBIT A**

**DESCRIPTION OF TIF SITE**

The TIF Site includes the real property described below:

SITUATE IN THE STATE OF OHIO, COUNTY OF FRANKLIN, CITY OF HILLIARD, LYING IN VIRGINIA MILITARY SURVEY NOS. 3000 AND 4854, BEING PART OF THE 40.924 AND ALL OF THE 0.742 ACRE TRACTS CONVEYED TO COLUMBUS CAMPUS LLC BY DEED OF RECORD IN INSTRUMENT NUMBER 200801170008512, AND PART OF THE 45.957 ACRE TRACT CONVEYED TO COLUMBUS CAMPUS LLC BY DEED OF RECORD IN INSTRUMENT NUMBER 200801170008509, (ALL REFERENCES REFER TO THE RECORDS OF THE RECORDER'S OFFICE, FRANKLIN COUNTY, OHIO) BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING, FOR REFERENCE, AT FRANKLIN COUNTY GEODETIC SURVEY MONUMENT NUMBER 0005 RESET FOUND AT THE CENTERLINE INTERSECTION OF DAVIDSON ROAD (VARIABLE WIDTH) AND LEAP ROAD (VARIABLE WIDTH);

THENCE SOUTH 23° 37' 07" EAST, A DISTANCE OF 1243.56 FEET, WITH THE CENTERLINE OF SAID LEAP ROAD, TO A POINT;

THENCE NORTH 66° 22' 53" EAST, A DISTANCE OF 50.00 FEET, ACROSS THE RIGHT-OF-WAY OF SAID LEAP ROAD AND ENTERING SAID 45.957 ACRE TRACT, TO AN IRON PIN SET, THE TRUE POINT OF BEGINNING;

THENCE ACROSS SAID 45.957 ACRE TRACT, THE FOLLOWING COURSES AND DISTANCES:

NORTH 68° 44' 53" EAST, A DISTANCE OF 556.74 FEET, TO AN IRON PIN SET AT A POINT OF CURVATURE;

WITH SAID CURVE TO THE LEFT, HAVING A CENTRAL ANGLE OF 09° 08' 20", A RADIUS OF 1099.00 FEET, AN ARC LENGTH OF 175.29 FEET, AND A CHORD WHICH BEARS NORTH 60° 37' 51" EAST, A CHORD DISTANCE OF 175.11 FEET, TO AN IRON PIN SET;

NORTH 23° 37' 07" WEST, A DISTANCE OF 384.33 FEET, TO AN IRON PIN SET IN THE LINE COMMON TO SAID 45.957 ACRE TRACT AND THE REMAINDER OF THE ORIGINAL TRACT THREE CONVEYED TO WOLPERT ENTERPRISES, LIMITED BY DEED OF RECORD IN INSTRUMENT NUMBER 200204080088414;

THENCE NORTH 84° 08' 15" EAST, A DISTANCE OF 1139.80 FEET, WITH THE NORTHERLY LINE OF SAID 45.957 AND 0.742 ACRE TRACTS AND WITH THE SOUTHERLY LINES OF THE REMAINDER OF SAID TRACT THREE, THE SOUTHERLY LINE OF THE REMAINDER OF THE ORIGINAL TRACT TWO CONVEYED TO

WOLPERT ENTERPRISES, LIMITED BY DEED OF RECORD IN INSTRUMENT NUMBER 200204080088414 AND A SOUTHERLY LINE OF THE REMAINDER OF THE ORIGINAL TRACT 1 CONVEYED TO ANSMIL LIMITED PARTNERSHIP BY DEED OF RECORD IN OFFICIAL RECORD 32225 G17, TO AN IRON PIN SET;

THENCE SOUTH  $05^{\circ} 55' 17''$  EAST, A DISTANCE OF 353.64 FEET, WITH THE LINE COMMON TO SAID 0.742 ACRE TRACT AND THE REMAINDER OF SAID ORIGINAL TRACT 1, TO AN IRON PIN SET AT A POINT OF CURVATURE;

THENCE WITH SAID CURVE TO THE LEFT, HAVING A CENTRAL ANGLE OF  $17^{\circ} 44' 53''$ , A RADIUS OF 1332.49 FEET, AN ARC LENGTH OF 412.75 FEET, AND A CHORD WHICH BEARS SOUTH  $14^{\circ} 47' 43''$  EAST, A CHORD DISTANCE OF 411.10 FEET, WITH AN EASTERLY LINE OF SAID 0.742 AND 45.957 ACRE TRACTS AND A WESTERLY LINE OF THE REMAINDERS OF SAID ORIGINAL TRACT 1 AND ORIGINAL TRACT TWO, TO AN IRON PIN SET AT A POINT OF TANGENCY;

THENCE SOUTH  $23^{\circ} 40' 10''$  EAST, A DISTANCE OF 353.83 FEET, WITH AN EASTERLY LINE OF SAID 45.957 AND 40.924 ACRE TRACTS, AND WITH A WESTERLY LINE OF THE REMAINDERS OF SAID ORIGINAL TRACT TWO AND ORIGINAL PARCEL TWO, TRACT TWO CONVEYED TO ANSMIL LIMITED PARTNERSHIP BY DEED OF RECORD IN OFFICIAL RECORDS 32225 G17 AND 32225 105, TO AN IRON PIN SET;

THENCE CONTINUING WITH THE LINE COMMON TO SAID 40.924 ACRE TRACT, THE REMAINDER OF SAID ORIGINAL PARCEL TWO, TRACT TWO AND THE REMAINDER OF THE ORIGINAL PARCEL TWO, TRACT THREE CONVEYED TO ANSMIL LIMITED PARTNERSHIP BY DEED OF RECORD IN OFFICIAL RECORDS 32225 G17 AND 32225 105, THE FOLLOWING COURSES AND DISTANCES:

SOUTH  $01^{\circ} 52' 05''$  EAST, A DISTANCE OF 53.85 FEET, TO AN IRON PIN SET;

SOUTH  $23^{\circ} 40' 10''$  EAST, A DISTANCE OF 105.00 FEET, TO AN IRON PIN SET;

SOUTH  $45^{\circ} 28' 15''$  EAST, A DISTANCE OF 53.85 FEET, TO AN IRON PIN SET;

SOUTH  $23^{\circ} 40' 10''$  EAST, A DISTANCE OF 514.24 FEET, TO AN IRON PIN SET AT A POINT OF CURVATURE;

WITH SAID CURVE TO THE RIGHT, HAVING A CENTRAL ANGLE OF  $08^{\circ} 02' 24''$ , A RADIUS OF 1390.00 FEET, AN ARC LENGTH OF 195.05 FEET, AND A CHORD WHICH BEARS SOUTH  $19^{\circ} 38' 58''$  EAST, A CHORD DISTANCE OF 194.89 FEET, TO AN IRON PIN SET;

SOUTH  $74^{\circ} 22' 14''$  WEST, A DISTANCE OF 20.00 FEET, TO AN IRON PIN SET;

WITH A CURVE TO THE RIGHT, HAVING A CENTRAL ANGLE OF  $01^{\circ} 02' 00''$ , A RADIUS OF 1370.00 FEET, AN ARC LENGTH OF 24.71 FEET, AND A CHORD WHICH

BEARS SOUTH 15° 06' 46" EAST, A CHORD DISTANCE OF 24.71 FEET, TO AN IRON PIN SET;

SOUTH 76° 07' 35" WEST, A DISTANCE OF 82.51 FEET, TO AN IRON PIN SET;

SOUTH 70° 47' 24" WEST, A DISTANCE OF 286.15 FEET, TO AN IRON PIN SET;

SOUTH 68° 02' 13" WEST, A DISTANCE OF 159.38 FEET, TO AN IRON PIN SET;

SOUTH 82° 20' 53" WEST, A DISTANCE OF 300.01 FEET, TO AN IRON PIN SET;

SOUTH 76° 34' 35" WEST, A DISTANCE OF 307.14 FEET, TO AN IRON PIN SET;

SOUTH 82° 47' 36" WEST, A DISTANCE OF 138.56 FEET, TO AN IRON PIN SET;

NORTH 79° 56' 50" WEST, A DISTANCE OF 85.56 FEET, TO AN IRON PIN SET;

NORTH 71° 18' 50" WEST, A DISTANCE OF 150.01 FEET, TO AN IRON PIN SET;

NORTH 65° 38' 53" WEST, A DISTANCE OF 208.41 FEET, TO AN IRON PIN SET;

NORTH 57° 48' 25" WEST, A DISTANCE OF 129.32 FEET, TO AN IRON PIN SET;

NORTH 59° 01' 48" WEST, A DISTANCE OF 170.38 FEET, TO AN IRON PIN SET;

NORTH 67° 18' 16" WEST, A DISTANCE OF 57.59 FEET, TO AN IRON PIN SET;

NORTH 80° 44' 53" WEST, A DISTANCE OF 8.85 FEET, TO AN IRON PIN SET;

THENCE ACROSS SAID 40.924 AND 45.957 ACRE TRACTS, THE FOLLOWING COURSES AND DISTANCES:

NORTH 02° 32' 02" EAST, A DISTANCE OF 270.04 FEET, TO AN IRON PIN SET AT A POINT OF CURVATURE;

WITH SAID CURVE TO THE LEFT, HAVING A CENTRAL ANGLE OF 26° 09' 10", A RADIUS OF 600.00 FEET, AN ARC LENGTH OF 273.87 FEET, AND A CHORD WHICH BEARS NORTH 10° 32' 33" WEST, A CHORD DISTANCE OF 271.50 FEET, TO AN IRON PIN SET;

NORTH 23° 37' 07" WEST, A DISTANCE OF 682.05 FEET, TO THE TRUE POINT OF BEGINNING, CONTAINING 77.019 ACRES, MORE OR LESS.

**EXHIBIT B**

**ORDINANCE NO. 07-23**

**ORDINANCE**  
*of the*  
**CITY of HILLIARD, OHIO**

EXHIBIT "B"

Ordinance No.: 07-23(Amended)  
Page 1 of 8 pages  
Passed: 03/26/2007  
Effective: 04/26/2007

**DECLARING IMPROVEMENTS TO CERTAIN REAL PROPERTY TO BE A PUBLIC PURPOSE; DECLARING SUCH PROPERTY TO BE EXEMPT FROM REAL PROPERTY TAXATION; DESCRIBING THE PUBLIC INFRASTRUCTURE IMPROVEMENTS TO BE MADE THAT WILL DIRECTLY BENEFIT THE REAL PROPERTY; REQUIRING THE OWNER THEREOF TO MAKE SERVICE PAYMENTS IN LIEU OF TAXES; AUTHORIZING THE EXECUTION OF A SERVICE PAYMENT AGREEMENT WITH THE PROPERTY OWNER; AUTHORIZING THE EXECUTION OF A COMPENSATION AGREEMENT WITH THE HILLIARD CITY SCHOOL DISTRICT; AND ESTABLISHING A MUNICIPAL PUBLIC IMPROVEMENT TAX INCREMENT EQUIVALENT FUND FOR THE DEPOSIT OF SUCH SERVICE PAYMENTS (Columbus Campus LLC).**

**WHEREAS**, the development of commercial properties in the City of Hilliard (the "City") will benefit the City and its residents by creating economic opportunities, enlarging the property tax base, enhancing income tax revenues, and stimulating collateral development in the City; and

**WHEREAS**, by providing Public Infrastructure Improvements (as that term is defined in Section 5709.40(A)(7) of the Ohio Revised Code), including road construction and related improvements, the City may facilitate the development of commercial properties; and

**WHEREAS**, Ohio Revised Code Sections 5709.40, 5709.42, and 5709.43 provide for the use of municipal tax increment financing to finance the construction of Public Infrastructure Improvements which will benefit new commercial development in the City; and

**WHEREAS**, an entity known as Columbus Campus, LLC (the "Developer"), a foreign limited liability company incorporated in the State of Maryland, is exploring the development of an approximately 83 acre site (the "Development Site"), located in the City, as a continuing care retirement community (the "Development Project"); and

**WHEREAS**, Ohio Revised Code Sections 5709.40, 5709.42 and 5709.43 provide that this Council may declare improvements to real property located in the City to be a public purpose, thereby exempting those improvements from real property taxation for a period of time, specify public infrastructure improvements to be made to benefit those parcels, provide for the making of service payments in lieu of taxes by the owner or owners thereof, provide for compensation to the Hilliard City School District, and establish a municipal public improvement tax increment equivalent fund into which such service payments shall be deposited; and

**WHEREAS**, the City desires to implement Tax Increment Financing ("TIF") with respect to approximately 78.386 acres of the Development Site ("Columbus Campus TIF Site") (as depicted and described in Exhibit A, attached hereto and incorporated herein), pursuant to which the City grants an exemption from real property taxation for the improvements to the Columbus Campus TIF Site; and

**WHEREAS**, the City has determined that it is necessary and appropriate and in the best interests of the City to require the Developer and future owners of real property in the Columbus Campus TIF Site (collectively, the "Property Owner") to make service payments in lieu of taxes with respect to the Improvements (as defined herein) pursuant to Section 5709.42 of the Ohio Revised Code, and to enter into a Service Payment Agreement with the Developer to secure the provision of service payments to the City; and

**WHEREAS**, the City expects to cause to be made the public infrastructure improvements described on Exhibit B hereto ("Infrastructure Improvements"), that once made will directly benefit the Columbus Campus TIF Site; and

**WHEREAS**, this Council determines that the City shall enter into a compensation agreement with the Hilliard City School District to provide the district with a portion of the service payments received by the City to compensate the district for a portion of the real property taxes exempted hereunder; and

**WHEREAS**, this Council finds and determines that notice of this proposed Ordinance has been delivered to all affected school districts in accordance with Sections 5709.40 and 5709.83 of the Ohio Revised Code and hereby ratifies the giving of that notice.

**NOW, THEREFORE, BE IT ORDAINED** by the Council of the City of Hilliard, Ohio that:

**SECTION 1. Authorization of Tax Exemption.** Pursuant to and in accordance with the provisions of Ohio Revised Code Section 5709.40(B), this Council hereby finds and determines that 100% of the increase in assessed value of the real property comprising the Columbus Campus TIF Site (the "Exempted Property") subsequent to the effective date of this Ordinance (which increase in assessed value is hereinafter referred to as the "Improvement", as defined in Ohio Revised Code Section 5709.40(A)(4)), is hereby declared to be a public purpose, and shall be exempt from taxation ("TIF Exemption") for a period commencing with the first tax year that begins after the effective date of this Ordinance and in which an Improvement to the real property comprising the Columbus Campus TIF Site first appears on the tax list and duplicate of real and public utility property and ending on the earlier of (a) thirty (30) years after such exemption commenced or (b) the date on which the City can no longer require service payments in lieu of taxes, all in accordance with the requirements of Sections 5709.40 and 5709.42 of the Ohio Revised Code (the "Exemption Period"). This Council further finds and determines that, as permitted by Ohio Revised Code Section 5709.40(B), the Improvement of the Columbus Campus TIF Site is to be used for commercial purposes. The TIF Exemption and the requirement to make Service Payments (as defined herein) shall become effective on the date that the Developer closes on the purchase of the Columbus Campus TIF Site.

**SECTION 2. Payment of Service Payments and Property Tax Rollback Payments.** As provided in Ohio Revised Code Section 5709.42, but only after the TIF Exemption is effective, the Property Owners of the real property comprising the Columbus Campus TIF Site shall be required to, and shall make, service payments in lieu of taxes with respect to the Improvements allocable thereto to the Treasurer of Franklin County, Ohio (the "County Treasurer") on or before the final due dates for payment of real property taxes. Each service payment in lieu of taxes shall be charged and collected in the same manner and in the same amount as the real property taxes that would have been charged and payable against real property comprising the Columbus Campus TIF Site as if it were not exempt from taxation pursuant to Section 1 hereof. Any late payments shall be subject to penalty and bear interest at the then current rate established under Ohio Revised Code Sections 323.121(B)(1) and 5703.47, as the same may be amended from time to time, or any successor provisions thereto, as the same may be amended from time to time (the payment of penalties and interest are collectively referred to herein with the service payments in lieu of taxes as the "Service Payments"). The Service Payments, and any other payments in respect of real property comprising the Columbus Campus TIF Site which are received by the County Treasurer in connection with any reduction required by Ohio Revised Section 319.302, as the same may be amended from time to time, or any successor provisions thereto, as the same may be amended from time to time (the "Property Tax Rollback Payments"), shall be allocated and distributed in accordance with this Ordinance.

**SECTION 3. Creation of TIF Fund.** This Council hereby establishes pursuant to and in accordance with the provisions of Ohio Revised Code Section 5709.43, the Columbus Campus Municipal Public Improvement Tax Increment Equivalent Fund (the "Fund"). The Fund shall be maintained in the custody of the City and shall receive all distributions of Service Payments and Property Tax Rollback Payments required to be made to the City. Those Service Payments and Property Tax Rollback Payments received by the City with respect to the Improvements on the real property in the Columbus Campus TIF Site from the Property Owners, so deposited and distributed pursuant to law as provided in Ohio Revised Code Section 5709.42, shall be used solely for the purposes authorized in Ohio Revised Code Sections 5709.40, 5709.42 and 5709.43, including, but not limited to, paying any costs of the Infrastructure Improvements, in a manner which is consistent with this Ordinance. For purposes of this Ordinance, "costs" of the Infrastructure Improvements payable from the Fund shall also include the items of "costs of permanent improvements" set forth in Section 133.15(B) of the Ohio Revised Code, and incurred with respect to the Infrastructure Improvements. The Fund shall remain in existence so long as such Service Payments and Property Tax Rollback Payments are collected and used for the aforesaid purposes, after which time said Fund shall be dissolved and any surplus funds remaining therein transferred to the City's General Fund, all in accordance with Ohio Revised Code Section 5709.43. The City's Finance Director shall create such subaccounts within the Fund as are necessary for payment of the costs of the Infrastructure Improvements, including debt service charges on, and other expenses relating to the issuance of, any bonds, notes, or other obligations issued to finance the Infrastructure Improvements.

**SECTION 4. Infrastructure Improvements.** This Council hereby designates the Infrastructure Improvements described in Exhibit B, attached hereto and incorporated herein, as "public infrastructure improvements" (as such term is defined in Section 5709.40(A)(7) of the Ohio Revised Code) made, to be made, or in the process of being made, and that, once made, will directly benefit the Columbus Campus TIF Site.



**SECTION 5. Compensation Agreement.** The Mayor, on behalf of the City, and pursuant to Ohio Revised Code Section 5709.40, 5709.42, and 5709.43, is hereby authorized and directed to enter into a Compensation Agreement ("Compensation Agreement") with the Hilliard City School District (the "School District"), which shall provide that during the Exemption Period, the City shall pay to the School District, from a portion of the Service Payments that it receives, an amount equal to the real property taxes that would have been payable to the School District less an amount equal to the reduction in state aid to the School District that would have occurred with respect to the Improvements as if the TIF Exemption had not been granted pursuant to this Ordinance (the "Compensation Payments"). Such Compensation Payments shall be payable to the School District at the times and as provided for in the Compensation Agreement, which agreement shall be in a form acceptable to the Mayor, approved as to form by the Director of Law, and not substantially inconsistent with the terms of this Ordinance.

**SECTION 6. Service Payment Agreement.** The Mayor, on behalf of the City, is hereby authorized and directed to enter into a Service Payment Agreement ("Service Payment Agreement") with the Developer to provide for the payment and collection of Service Payments, which Service Payment Agreement shall be in substantially the same form, with such changes not adverse to the City, as the one attached hereto as Exhibit C and incorporated herein. The Service Payment Agreement shall require that the Developer, or its successors and assigns, consent in writing, on the required DTE 24P form (or any other applicable or required forms), to the City's application for exemption pursuant to Section 5709.911(B)(1) of the Ohio Revised Code, and shall provide that the executed Service Payment Agreement be recorded in the Franklin County Recorder's Office as a Declaration running with the land. The Mayor is authorized and directed to enter into the Service Payment Agreement with such changes approved by the Mayor and not inconsistent with this Ordinance and not materially adverse to the City, which shall be established conclusively by his signature thereof; provided however, such Service Payment Agreement shall become effective on the date as provided for therein.

**SECTION 7. Application for Real Property Tax Exemption and Remission.** This Council further hereby authorizes and directs the City Finance Director and the City Law Director, or other appropriate officers of the City, to sign and execute all documents and make such arrangements as are necessary and proper for collection of said Service Payments from the Property Owner(s) of real property located in the Columbus Campus TIF Site, which are to be deposited into the Fund.

**SECTION 8. Non-Discriminatory Hiring Policy.** In accordance with Section 5709.832 of the Ohio Revised Code, this Council hereby determines that no employer located in the Columbus Campus TIF Site shall deny any individual employment solely on the basis of race, religion, sex, disability, color, national origin or ancestry.

**SECTION 9. Further Authorizations.** This Council further hereby authorizes and directs the Directors of Finance and Law, or other appropriate officers of the City, to prepare and sign all agreements, and any amendments thereto such that the character of those changes is not substantially adverse to the City, and to prepare and sign all instruments and to take all other actions as may be necessary and appropriate to implement this Ordinance.

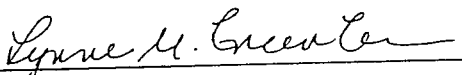
**SECTION 10. Notification of Passage.** Pursuant to Ohio Revised Code Section 5709.40, the Clerk of Council is hereby directed to deliver a copy of this Ordinance to the Director of the Department of Development of the State of Ohio within fifteen days after its adoption. On or before March 31 of each year that the exemption set forth in Section 1 hereof remains in effect, the Finance Director or other authorized officer of this City shall prepare and submit to the Director of the Department of Development of the State of Ohio the status report required under Section 5709.40(G) of the Ohio Revised Code.

**SECTION 11. Tax Incentive Review Council.** The City has created the Hilliard Tax Incentive Review Council with the membership of that Council constituted in accordance with Section 5709.85 of the Ohio Revised Code. That Council shall, in accordance with Section 5709.85 of the Ohio Revised Code, review annually all exemptions from taxation resulting from the declarations set forth in this Ordinance and any other such matters as may properly come before that Council, all in accordance with Ohio Revised Code Section 5709.85.

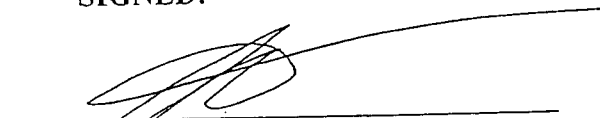
**SECTION 12. Open Meetings.** This Council finds and determines that all formal actions of this Council and any of its committees concerning and relating to the passage of this Ordinance were taken in an open meeting of this Council, and that all deliberations of this Council and any of its committees that resulted in those formal actions were in meetings open to the public, all in compliance with the law including Section 121.22 of the Revised Code.

**SECTION 13. Effective Date.** This Ordinance shall be effective from and after the earliest period provided by law.

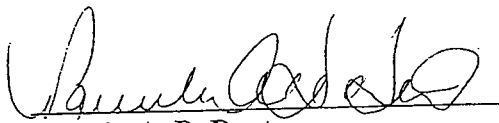
**ATTEST:**

  
Lynne M. Greenler  
Clerk of Council

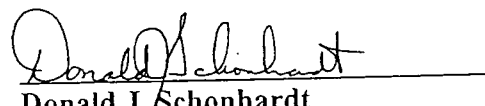
**SIGNED:**

  
J. William Uttley  
President of Council

**APPROVED AS TO FORM:**

  
Pamela A. DeDent  
Director of Law

**APPROVED:**

  
Donald J. Schonhardt  
Mayor

07-23(Amended)

Vote:

	Yea	Nay	Abstain
President Uttley	<input checked="" type="checkbox"/>		
Vice President Sciotto	<input checked="" type="checkbox"/>		
Allison	<input checked="" type="checkbox"/>		
Brown	<input checked="" type="checkbox"/>		
Cope	Excused		
Peacock	<input checked="" type="checkbox"/>		
Roberts	<input checked="" type="checkbox"/>		
Results:	6	0	0

**EXHIBIT A**

Development Site ("Columbus Campus TIF Site")

## EXHIBIT A

### DESCRIPTION OF TIF SITE

The TIF Site includes the real property described below:

SITUATE IN THE STATE OF OHIO, COUNTY OF FRANKLIN, CITY OF HILLIARD, LYING IN VIRGINIA MILITARY SURVEY NOS. 3000 AND 4854, BEING PART OF THE 40.924 AND ALL OF THE 0.742 ACRE TRACTS CONVEYED TO COLUMBUS CAMPUS LLC BY DEED OF RECORD IN INSTRUMENT NUMBER 200801170008512, AND PART OF THE 45.957 ACRE TRACT CONVEYED TO COLUMBUS CAMPUS LLC BY DEED OF RECORD IN INSTRUMENT NUMBER 200801170008509, (ALL REFERENCES REFER TO THE RECORDS OF THE RECORDER'S OFFICE, FRANKLIN COUNTY, OHIO) BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING, FOR REFERENCE, AT FRANKLIN COUNTY GEODETIC SURVEY MONUMENT NUMBER 0005 RESET FOUND AT THE CENTERLINE INTERSECTION OF DAVIDSON ROAD (VARIABLE WIDTH) AND LEAP ROAD (VARIABLE WIDTH);

THENCE SOUTH 23° 37' 07" EAST, A DISTANCE OF 1243.56 FEET, WITH THE CENTERLINE OF SAID LEAP ROAD, TO A POINT;

THENCE NORTH 66° 22' 53" EAST, A DISTANCE OF 50.00 FEET, ACROSS THE RIGHT-OF-WAY OF SAID LEAP ROAD AND ENTERING SAID 45.957 ACRE TRACT, TO AN IRON PIN SET, THE TRUE POINT OF BEGINNING;

THENCE ACROSS SAID 45.957 ACRE TRACT, THE FOLLOWING COURSES AND DISTANCES:

NORTH 68° 44' 53" EAST, A DISTANCE OF 556.74 FEET, TO AN IRON PIN SET AT A POINT OF CURVATURE;

WITH SAID CURVE TO THE LEFT, HAVING A CENTRAL ANGLE OF 09° 08' 20", A RADIUS OF 1099.00 FEET, AN ARC LENGTH OF 175.29 FEET, AND A CHORD WHICH BEARS NORTH 60° 37' 51" EAST, A CHORD DISTANCE OF 175.11 FEET, TO AN IRON PIN SET;

NORTH 23° 37' 07" WEST, A DISTANCE OF 384.33 FEET, TO AN IRON PIN SET IN THE LINE COMMON TO SAID 45.957 ACRE TRACT AND THE REMAINDER OF THE ORIGINAL TRACT THREE CONVEYED TO WOLPERT ENTERPRISES, LIMITED BY DEED OF RECORD IN INSTRUMENT NUMBER 200204080088414;

THENCE NORTH 84° 08' 15" EAST, A DISTANCE OF 1139.80 FEET, WITH THE NORTHERLY LINE OF SAID 45.957 AND 0.742 ACRE TRACTS AND WITH THE SOUTHERLY LINES OF THE REMAINDER OF SAID TRACT THREE, THE SOUTHERLY LINE OF THE REMAINDER OF THE ORIGINAL TRACT TWO CONVEYED TO

WOLPERT ENTERPRISES, LIMITED BY DEED OF RECORD IN INSTRUMENT NUMBER 200204080088414 AND A SOUTHERLY LINE OF THE REMAINDER OF THE ORIGINAL TRACT 1 CONVEYED TO ANSMIL LIMITED PARTNERSHIP BY DEED OF RECORD IN OFFICIAL RECORD 32225 G17, TO AN IRON PIN SET;

THENCE SOUTH 05° 55' 17" EAST, A DISTANCE OF 353.64 FEET, WITH THE LINE COMMON TO SAID 0.742 ACRE TRACT AND THE REMAINDER OF SAID ORIGINAL TRACT 1, TO AN IRON PIN SET AT A POINT OF CURVATURE;

THENCE WITH SAID CURVE TO THE LEFT, HAVING A CENTRAL ANGLE OF 17° 44' 53", A RADIUS OF 1332.49 FEET, AN ARC LENGTH OF 412.75 FEET, AND A CHORD WHICH BEARS SOUTH 14° 47' 43" EAST, A CHORD DISTANCE OF 411.10 FEET, WITH AN EASTERLY LINE OF SAID 0.742 AND 45.957 ACRE TRACTS AND A WESTERLY LINE OF THE REMAINDERS OF SAID ORIGINAL TRACT 1 AND ORIGINAL TRACT TWO, TO AN IRON PIN SET AT A POINT OF TANGENCY;

THENCE SOUTH 23° 40' 10" EAST, A DISTANCE OF 353.83 FEET, WITH AN EASTERLY LINE OF SAID 45.957 AND 40.924 ACRE TRACTS, AND WITH A WESTERLY LINE OF THE REMAINDERS OF SAID ORIGINAL TRACT TWO AND ORIGINAL PARCEL TWO, TRACT TWO CONVEYED TO ANSMIL LIMITED PARTNERSHIP BY DEED OF RECORD IN OFFICIAL RECORDS 32225 G17 AND 32225 105, TO AN IRON PIN SET;

THENCE CONTINUING WITH THE LINE COMMON TO SAID 40.924 ACRE TRACT, THE REMAINDER OF SAID ORIGINAL PARCEL TWO, TRACT TWO AND THE REMAINDER OF THE ORIGINAL PARCEL TWO, TRACT THREE CONVEYED TO ANSMIL LIMITED PARTNERSHIP BY DEED OF RECORD IN OFFICIAL RECORDS 32225 G17 AND 32225 105, THE FOLLOWING COURSES AND DISTANCES:

SOUTH 01° 52' 05" EAST, A DISTANCE OF 53.85 FEET, TO AN IRON PIN SET;

SOUTH 23° 40' 10" EAST, A DISTANCE OF 105.00 FEET, TO AN IRON PIN SET;

SOUTH 45° 28' 15" EAST, A DISTANCE OF 53.85 FEET, TO AN IRON PIN SET;

SOUTH 23° 40' 10" EAST, A DISTANCE OF 514.24 FEET, TO AN IRON PIN SET AT A POINT OF CURVATURE;

WITH SAID CURVE TO THE RIGHT, HAVING A CENTRAL ANGLE OF 08° 02' 24", A RADIUS OF 1390.00 FEET, AN ARC LENGTH OF 195.05 FEET, AND A CHORD WHICH BEARS SOUTH 19° 38' 58" EAST, A CHORD DISTANCE OF 194.89 FEET, TO AN IRON PIN SET;

SOUTH 74° 22' 14" WEST, A DISTANCE OF 20.00 FEET, TO AN IRON PIN SET;

WITH A CURVE TO THE RIGHT, HAVING A CENTRAL ANGLE OF 01° 02' 00", A RADIUS OF 1370.00 FEET, AN ARC LENGTH OF 24.71 FEET, AND A CHORD WHICH

BEARS SOUTH 15° 06' 46" EAST, A CHORD DISTANCE OF 24.71 FEET, TO AN IRON PIN SET;

SOUTH 76° 07' 35" WEST, A DISTANCE OF 82.51 FEET, TO AN IRON PIN SET;

SOUTH 70° 47' 24" WEST, A DISTANCE OF 286.15 FEET, TO AN IRON PIN SET;

SOUTH 68° 02' 13" WEST, A DISTANCE OF 159.38 FEET, TO AN IRON PIN SET;

SOUTH 82° 20' 53" WEST, A DISTANCE OF 300.01 FEET, TO AN IRON PIN SET;

SOUTH 76° 34' 35" WEST, A DISTANCE OF 307.14 FEET, TO AN IRON PIN SET;

SOUTH 82° 47' 36" WEST, A DISTANCE OF 138.56 FEET, TO AN IRON PIN SET;

NORTH 79° 56' 50" WEST, A DISTANCE OF 85.56 FEET, TO AN IRON PIN SET;

NORTH 71° 18' 50" WEST, A DISTANCE OF 150.01 FEET, TO AN IRON PIN SET;

NORTH 65° 38' 53" WEST, A DISTANCE OF 208.41 FEET, TO AN IRON PIN SET;

NORTH 57° 48' 25" WEST, A DISTANCE OF 129.32 FEET, TO AN IRON PIN SET;

NORTH 59° 01' 48" WEST, A DISTANCE OF 170.38 FEET, TO AN IRON PIN SET;

NORTH 67° 18' 16" WEST, A DISTANCE OF 57.59 FEET, TO AN IRON PIN SET;

NORTH 80° 44' 53" WEST, A DISTANCE OF 8.85 FEET, TO AN IRON PIN SET;

THENCE ACROSS SAID 40.924 AND 45.957 ACRE TRACTS, THE FOLLOWING COURSES AND DISTANCES:

NORTH 02° 32' 02" EAST, A DISTANCE OF 270.04 FEET, TO AN IRON PIN SET AT A POINT OF CURVATURE;

WITH SAID CURVE TO THE LEFT, HAVING A CENTRAL ANGLE OF 26° 09' 10", A RADIUS OF 600.00 FEET, AN ARC LENGTH OF 273.87 FEET, AND A CHORD WHICH BEARS NORTH 10° 32' 33" WEST, A CHORD DISTANCE OF 271.50 FEET, TO AN IRON PIN SET;

NORTH 23° 37' 07" WEST, A DISTANCE OF 682.05 FEET, TO THE TRUE POINT OF BEGINNING, CONTAINING 77.019 ACRES, MORE OR LESS.

## EXHIBIT B

The Infrastructure Improvements consist generally of:

1. Construction of Britton Parkway between Reynolds Drive and Davidson Road including the Britton Parkway and Davidson Road intersection,
2. Construction of Anson Drive between Lyman Drive and Leap Road including construction of intersections with Britton Parkway and with Leap Road,
3. Construction of improvements to Leap Road between Reynolds Drive and Davidson Road,
4. Construction of improvements and widening of Britton (Road) Parkway between Davidson Road and Hayden Run Road including the relocation of the Britton Parkway and Hayden Run Road intersection,
5. Construction of improvements to the intersections of Britton Parkway and Cemetery Road and Cemetery Road and Lyman Drive including improvements and widening of Cemetery Road between Britton Parkway and the I-270 Cemetery Road Interchange,
6. Construction of improvements and realignment of Lyman Drive between Davidson Road and the proposed Mildred Drive.

"Construction" as used above, includes construction, reconstruction, extension, opening, improving, widening, grading, draining, curbing or changing of the lines and traffic patterns of roads, highways, streets, bridges, sidewalks, leisure paths, medians and viaducts accessible to and serving the public, providing lighting systems, signalization, and traffic controls, and all other appurtenances thereto.

Construction of the above improvements may also include:

- a. Construction or reconstruction of one or more public parks, including grading, trees and other park plantings, park accessories and related improvements, together with all appurtenances thereto; and
- b. Construction, reconstruction or installation of public utility improvements, water distribution lines (including necessary site grading therefor), storm and sanitary sewers (including necessary site grading therefor), water and fire protection systems, and all appurtenances thereto; and
- c. Construction, reconstruction or installation of gas, electric and communication service facilities and all appurtenances thereto; and
- d. Construction or installation of streetscape and landscape improvements including trees, tree grates, signage, curbs, sidewalks, street and sidewalk lighting, trash receptacles, benches, burial of overhead utility lines and related improvements, together with all appurtenances thereto; and
- e. Acquisition of real estate or interests in real estate, including easements, necessary to accomplish the foregoing improvements;
- f. Professional fees, including architectural, engineering, contract administration, and legal costs; and
- g. All inspection fees and other governmental fees related to the foregoing; and
- h. Any other costs for the aforesaid Infrastructure Improvements as permitted by law.

All of the Infrastructure Improvements described above are hereby determined to be "public infrastructure improvements" (as defined in Section 5709.40(A)(7) of the Ohio Revised Code) and will directly benefit the real property described in Exhibit A.

EXHIBIT C

Service Payment Agreement



**DRAFT**

**SERVICE PAYMENT AGREEMENT**

THIS SERVICE PAYMENT AGREEMENT (the "Agreement" or the "Service Payment Agreement") is made and entered into as of the \_\_\_\_\_ day of \_\_\_\_\_, 2007, between the **CITY OF HILLIARD, OHIO** (the "City"), a municipal corporation, having an address for purposes hereof at 3800 Municipal Way, Hilliard, Ohio 43026, and **COLUMBUS CAMPUS, LLC** (the "Developer"), a Maryland limited liability company, having an address for purposes hereof at 701 Maiden Choice Lane, Baltimore, Maryland 21228.

WITNESSETH:

WHEREAS, the Developer is exploring the development of an approximately 83-acre site (the "Development Site") located within the municipal corporate boundaries of the City as a continuing care retirement community (the "Development"); and

WHEREAS, upon completion the Development would significantly increase the assessed valuation of the Development Site; and

WHEREAS, an approximately 78.386-acre portion of the Development Site would be developed as an independent living facility as part of the Developer's continuum of care (the "TIF Site"), which TIF Site is identified and described in Exhibit A hereto incorporated by reference herein and is located within the municipal corporate boundaries of the City, and the territorial boundaries of the County of Franklin, Ohio (the "County") and the Hilliard City School District (the "School District"); and

The Developer (collectively, with its successors and assigns, as owners of the parcels included in the TIF Site, the "Owners") has contracted to purchase a fee simple interest in the TIF Site identified in Exhibit A; and

WHEREAS, pursuant to Ohio Revised Code ("O.R.C.") Sections 5709.40, 5709.42 and 5709.43 (together with related provisions of the Ohio Revised Code, the "TIF Act"), and Ordinance No. \_\_\_\_\_ - passed by the Council of the City ("City Council") on \_\_\_\_\_, 2007, a copy of which is attached as Exhibit B hereto and incorporated herein by reference (the "TIF Ordinance"), the City has, among other actions: (1) declared the improvements to the real property (the "Improvements") included in the TIF Site to be a public purpose and exempt from real property taxation for a period of up to thirty (30) years; (2) provided for service payments in lieu of taxes (the "Service Payments"), as an obligation running with the land for the Exemption Period, as defined herein, payable with respect to the real property comprising the TIF Site; (3) described and authorized certain Infrastructure Improvements (as identified in Exhibit B to the TIF Ordinance) to be paid from the Service Payments; and (4) determined to enter into this Service Payment Agreement with the Developer, to provide for the payment of the Service Payments by the Developer with respect to certain real property owned by the Developer, its successors and assigns, and to provide for the use of the Service Payments to pay costs of or relating to the Infrastructure Improvements, among other uses provided by Ohio law, for the Exemption Period, as defined herein; and

WHEREAS, pursuant to the TIF Act, the TIF Ordinance and this Service Payment Agreement, the Developer wishes to agree, for itself and for each of its successors and assigns as Owners of all or any portion of or interest in any of the real property comprising the TIF Site, effective at such time as the Developer becomes an Owner of the TIF Site, and to pay Service Payments in an amount equal to the amount of real property taxes that would have been paid with respect to the real property comprising the TIF Site had the TIF Exemption not been granted by the City under the TIF Act and the TIF Ordinance and applied for and allowed thereunder; and

**"O.R.C."** means Ohio Revised Code.

**"Obligee"** means the City, the Treasurer of the County, any governmental issuer of bonds to finance the Public Improvements, and the holders of such bonds.

**"Owners"** means the owners from time to time, including the Developer, of the real property comprising the TIF Site.

**"Public Improvements"** means the specific Infrastructure Improvements identified in Exhibit C hereof.

**"School Compensation Agreement"** means the Compensation Agreement between the City and the School District, dated \_\_\_\_\_, 2007.

**"School Compensation Amount"** means the amount to be paid to the School District in accordance with the terms of the School Compensation Agreement from monies deposited into the School District Account of the TIF Fund pursuant to Section 5 hereof.

**"School District"** means the Hilliard City School District.

**"School District Account"** means the Account in the TIF Fund into which the School Compensation Amount shall be deposited and from which the School Compensation Amount is paid in accordance with the terms of the School Compensation Agreement.

**"Service Payment Agreement"** means this Agreement.

**"Service Payments"** means the payments to be made in lieu of taxes by the Owners of the real property comprising the TIF Site pursuant to the terms of this Agreement.

**"Service Payment Dates"** means the final date (after the effective date hereof) for payment of the first semiannual installment of real property taxes that would have been payable with respect to any of the Improvements but for the TIF Exemption, and shall thereafter be the semiannual dates for the payment of installments of real property taxes (or such other installments as may then be required or allowed with respect to real property taxes in the state of Ohio) on or before the final date for payment (without delinquency) of each installment of real property taxes in such year and each year thereafter.

**"Special Account"** means the Account in the TIF Fund into which Assigned Service Payments are deposited.

**"TIF Act"** means Sections 5709.40 through 5709.43 of the Ohio Revised Code, together with related provisions of the Ohio Revised Code.

**"TIF Exemption"** has the meaning given to that term in Section 1 of the TIF Ordinance.

**"TIF Fund"** means the City's Municipal Public Improvement Tax Increment Equivalent Fund.

**"TIF Ordinance"** means Ordinance No. \_\_\_\_\_ - 2007, passed by the City Council on \_\_\_\_\_, 2007, as the same may be amended from time to time.

**"TIF Site"** means the approximately 78.386-acre site upon which the independent living facilities and associated common community facilities will be constructed, and described in Exhibit A.

Payment Date until termination or expiration of this Service Payment Agreement.

In the event that any Service Payment or any installment thereof, is not paid when due by any Owner on any Service Payment Date, to the extent that the County does not impose a late fee or delinquency charge, the City may impose and collect a late payment charge, payable to the City, in the amount of the charges for late payment of real property taxes, including penalty and interest, which would have been paid pursuant to O.R.C. Section 323.121 on the delinquent amount.

Except with respect to the Minimum Value guarantee described in Section 2 hereof, no Owner shall, under any circumstances, be required to pay both real property taxes with respect to an Improvement and Service Payments for any tax year with respect to that Improvement, whether pursuant to O.R.C. Section 4709.42, the TIF Ordinance, this Agreement or any other applicable law.

SECTION 5. DEPOSITS OF SERVICE PAYMENTS. Upon receipt by the City from the County, the Service Payments shall be deposited into the TIF Fund and credited to the following Accounts in the priority set forth below:

FIRST: The portion of the Service Payment, representing the School Compensation Amount, as calculated in accordance with the terms of the School Compensation Agreement, shall be credited to the School District Account; and

SECOND: A portion of the Service Payment representing that amount required to pay the principal, interest, and related costs, fees and expenses of the bonds or other obligations issued to finance the Public Improvements, including the funding of any reserves for such bonds, due in that year, shall be credited to the Special Account; and

THIRD: That portion of the Service Payment remaining after the deposits required in FIRST and SECOND above shall constitute Excess Service Payments and be credited to the Excess Account.

Amounts credited to the Special Account shall constitute Assigned Service Payments that may be assigned to the trustee for any obligations issued to finance Public Improvements.

Excess Service Payments shall be used first to be deposited to the Special Account to pay debt service or other charges on the bonds issued to finance the Public Improvements to the extent required and, after December 15 of each year, any unused Excess Service Payments may then be used by the City for such purposes authorized by the TIF Act and the TIF Ordinance.

Any supplemental payments required to be made pursuant to the Minimum Value guarantee portions of this Agreement shall be credited to the Accounts in the same relative proportion as the Service Payments are required to be deposited under this Section 5.

SECTION 6. APPLICATION OF IMPACT FEES. In accordance with Chapter 1187 of the City Code, the Developer is required to pay development impact fees in the amount of \$1,500 per independent living unit developed on the TIF Site (the "Impact Fees"). The City agrees, for the first ten years that this Agreement is in effect, to deposit the Impact Fees received with respect to the TIF Site into the Special Account or such other fund provided in the trust agreement or indenture executed in connection with the issuance of the bonds (or other obligations) issued by the Authority to finance the Public Improvements and that such amounts will be available during such ten-year period to pay the debt service charges on (including the funding of reserves for) such bonds (or other obligations). At the end of such ten-year period, any Impact Fees that have not been used to pay debt service charges on (including the funding of reserves for) the bonds (or other obligations) issued to finance the Public Improvements shall be released from the lien of the trust agreement or indenture and shall be transferred to the City and used for any lawful purpose. Notwithstanding anything herein to the contrary, if in any year the amount of Service Payments on deposit in the Special Account is at least one and one-half times the average annual debt service charges on the

construed to release any Owner from the performance of any of the agreements or obligations on its part contained in this Service Payment Agreement.

SECTION 9. PAYMENT OF TAXES; CONTESTS. Each Owner shall pay, cause, or require to be paid, as the same become due, all taxes, assessments, whether general or special, and governmental charges of any kind whatsoever that may at any time be lawfully assessed or levied against or with respect to the TIF Site (except as otherwise provided herein) or any personal property or fixtures installed or brought therein or thereon (including, without limiting the generality of the foregoing, and by way of example, any taxes levied against an Owner with respect to the receipts, income or profits from leasing or subleasing space within the Improvements, which, if not paid, may become or be made a lien on all or any portion of the TIF Site) and all utility and other charges incurred in the operation, maintenance, use, occupancy and upkeep of the TIF Site. Notwithstanding the foregoing, nothing herein is intended to prevent any Owner (or a successor, assign or transferee), at its expense and in good faith from contesting the amount or validity of any taxes, assessments or other charges (including but not limited to seeking a reduction in the valuation of the TIF Site), and the only recourse of the City to enforce the payment of those items will be to the TIF Site, and the interest or interests of the respective Owner therein; provided, however, that in the event that any such contest or a tax exemption for all or a portion of the Improvements results in a reduction in the True Value of the TIF Site to an amount less than \$140,000,000, then, in addition to paying the Service Payment to the Franklin County Treasurer, the Owner shall make a supplemental payment to the City in an amount equal to the real property taxes that would have been assessed on the difference between the True Value of the TIF Site and \$140,000,000 of True Value, but only if the Public Improvements are constructed as provided herein. Nothing in this Service Payment Agreement shall require an Owner or any other person to pay or reimburse for payment of any Federal, State or local tax of any kind or character (whether based on gross or net income, gross receipts or otherwise) which is imposed or levied on the City, or any other entity, on funds held by the trustee for bonds issued to finance the Public Improvements or by a depository of the City, or on the holders of such bonds or any other Obligations.

SECTION 10. NOTICES. All notices, designations, certificates, requests or other communications under this Service Payment Agreement shall be sufficiently given and shall be deemed given on receipt when personally delivered, or 48 hours after being mailed by registered or certified mail, postage prepaid: if to the City at 3800 Municipal Way, Hilliard, Ohio 43026, Attention: Mayor, with copies to the Finance Director and the Director of Law at the same address; and, if to the Developer, at its registered address for tax bills. The City and the Developer may, by notice given under this Service Payment Agreement, designate any further or different addresses to which subsequent notices, designations, certificates, requests or other communications shall be sent, and shall provide copies of all such communications to any of the others to all of the others.

SECTION 11. EXEMPTION APPLICATIONS. Promptly upon the effective date of this Service Payment Agreement, the Developer shall consent in writing on the required DTE 24P form (or any other applicable or required forms) to the City's application for exemption from real property taxation with respect to the TIF Site pursuant to O.R.C. Section 5709.911(B)(1). The City and the Developer shall cooperate with each other; and execute such further documents and provide such further information as are reasonably required in connection with the filing and processing of such applications. The parties hereto intend that such exemption from real property taxation will apply initially to the 2008 tax year and shall use due diligence and commercially reasonable efforts to that end. The Developer shall continuously use due diligence and employ commercially reasonable efforts to keep such exemptions in force, not permitting the same to lapse or be suspended or revoked for any reason within the Developer's control.

SECTION 12. EFFECTIVE DATE; DURATION OF AGREEMENT. This Service Payment Agreement shall become effective on the date that the Developer (a) has acquired fee simple title to the TIF Site and (b) has delivered written notice to the City that the Developer intends to proceed with the Development. If the conditions set forth in (a) and (b) above are not satisfied by January 31, 2008, then this Agreement shall be null and void. Unless sooner terminated, this Agreement shall expire at the end of the Exemption Period; provided, however, that the covenant of the Developer that the True Value of the TIF

and requirements of Ohio law relating to either mortgage liens or delinquent real estate taxes; provided that nothing contained in this Agreement shall be deemed to authorize any acceleration of Service Payments due in future years. The provisions of this Section shall encumber and run with the real property comprising the TIF Site.

Notwithstanding anything in this Agreement to the contrary, the School District's rights as third party beneficiary hereunder shall be effective only during the term of the Exemption Period.

SECTION 16. COUNTERPARTS; CAPTIONS. This Service Payment Agreement may be executed in counterpart, and in several counterparts, each of which shall be regarded as an original and all of which shall constitute but one and the same Agreement. Captions have been provided herein for convenience only and shall not affect the construction or interpretation of this Service Payment Agreement.

SECTION 17. GOVERNING LAW AND CHOICE OF FORUM. This Agreement shall be governed by and construed in accordance with the laws of the State of Ohio. All claims, counterclaims, disputes and other matters in question between the City, its agents and employees, and the Developer, its employees, contractors, subcontractors and agents arising out of or relating to this Agreement or its breach will be decided in a state court of competent jurisdiction within the State of Ohio.

SECTION 18. ENTIRE AGREEMENT. This document (with its exhibits) contains the entire agreement between the parties and supersedes any prior discussions, representations, warranties, or agreements between them respecting the subject matter. No changes or amendments shall be made or be binding unless made in writing and signed by each of the parties.

SECTION 19. NO CITY EXPENDITURES. Nothing contained in this Agreement shall be construed to require the City to expend funds in connection with the performance of this Agreement in the 2007 fiscal year.

SECTION 20. ADDITIONAL DOCUMENTS; AMENDMENT. The parties hereto agree for themselves and their respective successors, assigns and transferees, to execute any further agreements, documents or instruments as may be reasonably necessary to fully effectuate the purpose and intent of this Service Payment Agreement in compliance with all laws and ordinances controlling this Service Payment Agreement. Any amendment to this Service Payment Agreement must be in writing and signed by or on behalf of all parties or their respective permitted successors, assigns, and transferees.

SECTION 21. INDEMNIFICATION. In addition to the obligations of the Owner as set forth in Section 7 hereof, the Developer shall indemnify, defend and hold harmless the City and its agents, employees and public officials from and against any and all suits, claims, damages, losses and expenses (including reasonable attorney fees) arising or allegedly arising out of, or resulting from the construction of the Improvements.

### EXHIBIT C

The Public Improvements consist generally of:

1. Construction of Britton Parkway between Reynolds Drive and Davidson Road including the Britton Parkway and Davidson Road intersection,
2. Construction of Anson Drive between Lyman Drive and Leap Road including construction of intersections with Britton Parkway and with Leap Road,
3. Construction of improvements to Leap Road between Reynolds Drive and Davidson Road,

**EXHIBIT C**  
**PUBLIC IMPROVEMENTS**

The Public Improvements consist of the various Infrastructure Improvements described below and shown on the attached drawing, including acquisition of land and interests in land necessary in connection with the same, as well as related soft costs including, but not limited to, design, engineering, and legal expenses.

**ANSON DRIVE**

<b>ITEM NO.</b>	<b>UNIT</b>	<b>DESCRIPTION</b>
		<b><i>Roadway</i></b>
201	Lump	Clearing and Grubbing, As Per Plan
202	Lump	Miscellaneous Removals
202	Sq Yd	Pavement Removed
203	Cu Yd	Excavation, As Per Plan
203	Cu Yd	Embankment
203	Cu Yd	Subgrade Stabilization
204	Sq Yd	Subgrade Compaction
204	Hour	Proof Rolling
255	Ft	Full Depth Pavement Sawing
608	Sq Ft	4" Concrete Walk
608	Sq Ft	8" Concrete Walk
608	Each	Curb Ramp, As Per Plan
608	Each	24" Detectable Warning
Special	Lump	Roadway Miscellaneous
		<b><i>Drainage</i></b>
603	Ft	12" Conduit, Type B
603	Ft	18" Conduit, Type B
603	Ft	24" Conduit, Type B
603	Ft	30" Conduit, Type B

604	Each	Curb and Gutter Inlet (COC AA-S125)
604	Each	Manhole, Type A
604	Each	Manhole, Type B
604	Each	Drainage Misc.: Outlet Structure
605	Ft	Underdrain
Special	Lump	Drainage Miscellaneous
		<b><i>Sediment &amp; Erosion Control</i></b>
207	Sq Yd	Construction Seeding and Mulching
207	Ft	Perimeter Filter Fabric Fence
207	Lump	Inlet Protection
653	Cu Yd	Topsoil Furnished and Placed
659	Sq Yd	Seeding and Mulching
659	Sq Yd	Repair Seeding and Mulching
659	Ton	Commercial Fertilizer
659	Acre	Lime
659	M Gal	Water
660	Sq Yd	Sodding Unstaked
Special	Lump	Erosion Control Miscellaneous
		<b><i>Pavement</i></b>
301	Cu Yd	Asphalt Concrete Base, PG64-22 (9")
304	Cu Yd	Aggregate Base (6")
446	Cu Yd	Asphalt Concrete Intermediate Course (1 3/4")
446	Cu Yd	Asphalt Concrete Surface Course (1 1/2")
407	Gal	Tack Coat (0.075 Gal/SY)
407	Gal	Tack Coat for Intermediate Course (0.04 Gal/SY)
408	Gal	Prime Coat (0.4 Gal/SY)
609	Ft	Combination Curb and Gutter, Type 2, As Per Plan



		<b>Leisure Path</b>
204	Sq Yd	Subgrade Compaction
404	Cu Yd	Asphalt Concrete For Bike Path (2 1/2")
304	Cu Yd	Aggregate Base for Bike Path (6")
408	Gal	Prime Coat (0.25 Gal/SY)
		<b>Sanitary</b>
		Note: Sanitary Sewer is included in a separate estimate
		<b>Water Works</b>
801	Ft	6" Water Main Ductile Iron Pipe and Fittings
801	Ft	8" Water Main Ductile Iron Pipe and Fittings
801	Ft	12" Water Main Ductile Iron Pipe and Fittings
802	Each	6" Valve and Appurtenances
802	Each	8" Valve and Appurtenances
802	Each	12" Valve and Appurtenances
809	Each	Fire Hydrant, Type A
Special	Lump	Water Work Miscellaneous
		<b>Utilities</b>
		Note: Private Utilities Relocations included with Development Estimate
Special	Ft	Conduit Bank for Utility Conduits
		<b>Traffic Control</b>
630	lump	Signing
644	lump	Pavement Markings

		<b><i>Lighting</i></b>
1000	Per Pole	Lighting System: Pole, Luminaire, conduit, trench, etc.
		<b><i>Signal</i></b>
632	Lump	Interconnect (Cable Only - no trench, or conduit)
		<b><i>Miscellaneous</i></b>
619	Month	Field Office, Type C
623	Lump	Construction Layout Stakes
624	Lump	Mobilization

BRITTON PARKWAY

ITEM NO.	UNIT	DESCRIPTION
		<i>Roadway</i>
201	Lump	Clearing and Grubbing, As Per Plan
202	Lump	Miscellaneous Removals
202	Sq Yd	Pavement Removed
203	Cu Yd	Excavation, As Per Plan
203	Cu Yd	Embankment
203	Cu Yd	Subgrade Stabilization
204	Sq Yd	Subgrade Compaction
204	Hour	Proof Rolling
255	Ft	Full Depth Pavement Sawing
608	Sq Ft	4" Concrete Walk
608	Sq Ft	8" Concrete Walk
608	Each	Curb Ramp, As Per Plan
608	Each	24" Detectable Warning
Special	Lump	Roadway Miscellaneous
		<i>Drainage</i>
603	Ft	12" Conduit, Type B
603	Ft	18" Conduit, Type B
603	Ft	24" Conduit, Type B
603	Ft	30" Conduit, Type B
604	Each	Curb and Gutter Inlet (COC AA-S125)
604	Each	Manhole, Type A
604	Each	Manhole, Type B
604	Each	Drainage Misc.: Outlet Structure
605	Ft	Underdrain
Special	Lump	Drainage Miscellaneous

		<b><i>Sediment &amp; Erosion Control</i></b>
207	Sq Yd	Construction Seeding and Mulching
207	Ft	Perimeter Filter Fabric Fence
207	Lump	Inlet Protection
653	Cu Yd	Topsoil Furnished and Placed
659	Sq Yd	Seeding and Mulching
659	Sq Yd	Repair Seeding and Mulching
659	Ton	Commercial Fertilizer
659	Acre	Lime
659	M Gal	Water
660	Sq Yd	Sodding Unstaked
Special	Lump	Erosion Control Miscellaneous
		<b><i>Pavement</i></b>
301	Cu Yd	Asphalt Concrete Base, PG64-22 (9")
304	Cu Yd	Aggregate Base (6")
446	Cu Yd	Asphalt Concrete Intermediate Course (1 3/4")
446	Cu Yd	Asphalt Concrete Surface Course (1 1/2")
407	Gal	Tack Coat (0.075 Gal/SY)
407	Gal	Tack Coat for Intermediate Course (0.04 Gal/SY)
408	Gal	Prime Coat (0.4 Gal/SY)
609	Ft	Combination Curb and Gutter, Type 2, As Per Plan
		<b><i>Leisure Path</i></b>
204	Sq Yd	Subgrade Compaction
404	Cu Yd	Asphalt Concrete For Bike Path (2 1/2")
304	Cu Yd	Aggregate Base for Bike Path (6")
408	Gal	Prime Coat (0.25 Gal/SY)

		<b>Sanitary</b>
		Note: Sanitary Sewer is included in a separate estimate
		<b>Water Works</b>
801	Ft	6" Water Main Ductile Iron Pipe and Fittings
801	Ft	8" Water Main Ductile Iron Pipe and Fittings
801	Ft	12" Water Main Ductile Iron Pipe and Fittings
802	Each	6" Valve and Appurtenances
802	Each	8" Valve and Appurtenances
802	Each	12" Valve and Appurtenances
809	Each	Fire Hydrant, Type A
Special	Lump	Water Work Miscellaneous
		<b>Utilities</b>
		Note: Private Utilities Relocations included with Development Estimate
Special	Ft	Conduit Bank for Utility Conduits
		<b>Traffic Control</b>
630	lump	Signing
644	lump	Pavement Markings
		<b>Lighting</b>
1000	Per Pole	Lighting System: Pole, Luminaire, conduit, trench, etc.
		<b>Signal</b>
632	Lump	Interconnect (Cable Only - no trench, or conduit)

		<b>Miscellaneous</b>
619	Month	Field Office, Type C
623	Lump	Construction Layout Stakes
624	Lump	Mobilization

DAVIDSON ROAD

<i>ITEM NO.</i>	<i>UNIT</i>	<i>DESCRIPTION</i>
		<i>Roadway</i>
201	Lump	Clearing and Grubbing, As Per Plan
202	Lump	Miscellaneous Removals
202	Sq Yd	Pavement Removed
202	Each	Catch Basin Removed
202	Ft	Curb Removed
202	Sq Yd	Misc. Concrete Removed
202	Sq Ft	Concrete Walk Removed
202	Each	Raised Pavement Marker Removed
202	Each	Lightpole Removed and Reset
203	Cu Yd	Excavation, As Per Plan
203	Cu Yd	Embankment
203	Cu Yd	Subgrade Stabilization
204	Sq Yd	Subgrade Compaction
204	Hour	Proof Rolling
608	Sq Ft	4" Concrete Walk
608	Sq Ft	8" Concrete Walk
608	Each	Curb Ramp, As Per Plan
608	Each	24" Detectable Warning
Special	Lump	Roadway Miscellaneous
		<i>Drainage</i>
603	Ft	6" Conduit, Type F, Underdrain Outlet
603	Ft	12" Conduit, Type B
603	Ft	18" Conduit, Type B
603	Ft	24" Conduit, Type B

604	Each	Precast Concrete Outlet
		<b><i>Drainage Continued</i></b>
604	Each	Curb and Gutter Inlet
604	Each	Standard Catch Basin
604	Each	Catch Basin Reconstructed to Grade
604	Each	Manhole, Type A
604	Each	Manhole Reconstructed to Grade
605	Ft	Underdrain
Special	Lump	Drainage Misc.: Post Construction Storm Water BMP
Special	Lump	Drainage Miscellaneous
		<b><i>Sediment &amp; Erosion Control</i></b>
207	Sq Yd	Construction Seeding and Mulching
207	Ft	Perimeter Filter Fabric Fence
207	Lump	Inlet Protection
207	Lump	Temporary Sediment Basins
653	Cu Yd	Topsoil Furnished and Placed
659	Sq Yd	Seeding and Mulching
659	Sq Yd	Repair Seeding and Mulching
659	Ton	Commercial Fertilizer
659	Acre	Lime
659	M Gal	Water
660	Sq Yd	Sodding Unstaked
Special	Lump	Erosion Control Miscellaneous
		<b><i>Pavement</i></b>
252	Ft	Full Depth Pavement Sawing
252	Cu Yd	Driveway Pavement Replacement
254	Sq Yd	Pavement Planing
301	Cu Yd	Asphalt Concrete Base, PG64-22 (9")



		<b><i>Pavement Continued</i></b>
304	Cu Yd	Aggregate Base (6")
407	Gal	Tack Coat (0.075 Gal/SY)
407	Gal	Tack Coat for Intermediate Course (0.04 Gal/SY)
413	Ft	Crack Seal
446	Cu Yd	Asphalt Concrete Intermediate Course (1 3/4")
446	Cu Yd	Asphalt Concrete Surface Course (1 1/2")
609	Ft	Straight 18" Curb
609	Ft	Combination Curb and Gutter, Type 2, As Per Plan
		<b><i>Leisure Path</i></b>
204	Sq Yd	Subgrade Compaction
448	Cu Yd	Asphalt Concrete For Bike Path (2 1/2")
304	Cu Yd	Aggregate Base for Bike Path (6")
408	Gal	Prime Coat (0.4 Gal/SY)
		<b><i>Maintenance of Traffic</i></b>
614	Lump	Maintaining Traffic, as per plan
		<b><i>Water Works</i></b>
801	Ft	6" Water Main Ductile Iron Pipe and Fittings
801	Ft	12" Water Main Ductile Iron Pipe and Fittings
802	Each	6" Valve and Appurtenances
802	Each	12" Valve and Appurtenances
805	Each	Water Service Relocated
809	Each	Fire Hydrant, Type A
Special	Lump	Water Work Miscellaneous

		<b>Sanitary Sewer</b>
604	Each	Sanitary Manhole Reconstructed to Grade
		<b>Traffic Control</b>
630	lump	Signing
644	lump	Pavement Markings
		<b>Lighting</b>
1000	Per Pole	Lighting System: Pole, Luminaire, conduit, trench, etc.
1000	Per Pole	Removal/Relocation of Existing Light Structures
		<b>Signal</b>
202	Each	Removal of Existing Traffic Signal Installation
		<b>Miscellaneous</b>
619	Month	Field Office, Type B
623	Lump	Construction Layout Stakes
624	Lump	Mobilization

LEAP ROAD

ITEM NO.	UNIT	DESCRIPTION
		<b>Roadway</b>
201	Lump	Clearing and Grubbing, As Per Plan
202	Lump	Miscellaneous Removals
202	Sq Yd	Pavement Removed
203	Cu Yd	Excavation, As Per Plan
203	Cu Yd	Embankment
203	Cu Yd	Subgrade Stabilization
204	Sq Yd	Subgrade Compaction
204	Hour	Proof Rolling
608	Sq Ft	4" Concrete Walk
608	Sq Ft	8" Concrete Walk
608	Each	Curb Ramp, As Per Plan
608	Each	24" Detectable Warning
Special	Lump	Roadway Miscellaneous
		<b>Drainage</b>
603	Ft	30" Conduit, Type B
603	Ft	36" Conduit, Type B
603	Ft	42" Conduit, Type B
604	Each	Precast Concrete Outlet
604	Each	Endwall for 30" Pipe
604	Each	Catch Basin Reconstructed to Grade
604	Each	Manhole, Type A
604	Each	Manhole Reconstructed to Grade
605	Ft	Underdrain
Special	Lump	Drainage Misc.: Post Construction Storm Water BMP

Special		Drainage Miscellaneous
		<b><i>Sediment &amp; Erosion Control</i></b>
207	Sq Yd	Construction Seeding and Mulching
207	Ft	Perimeter Filter Fabric Fence
207	Lump	Inlet Protection
207	Lump	Temporary Sediment Basins
653	Cu Yd	Topsoil Furnished and Placed
659	Sq Yd	Seeding and Mulching
659	Sq Yd	Repair Seeding and Mulching
659	Ton	Commercial Fertilizer
659	Acre	Lime
659	M Gal	Water
660	Sq Yd	Sodding Unstaked
Special	Lump	Erosion Control Miscellaneous
		<b><i>Pavement</i></b>
252	Ft	Full Depth Pavement Sawing
252	Cu Yd	Driveway Pavement Replacement
254	Sq Yd	Pavement Planing
301	Cu Yd	Asphalt Concrete Base, PG64-22 (9")
304	Cu Yd	Aggregate Base (6")
407	Gal	Tack Coat (0.075 Gal/SY)
407	Gal	Tack Coat for Intermediate Course (0.04 Gal/SY)
413	Ft	Crack Seal
446	Cu Yd	Asphalt Concrete Intermediate Course (1 3/4")
446	Cu Yd	Asphalt Concrete Surface Course (1 1/2")
452	Sq Yd	Non-Reinforced Concrete Pavement (Res. Driveways, T=6")
452	Sq Yd	Non-Reinforced Concrete Pavement (Comm. Driveways, T=8")
609	Ft	Straight 18" Curb

		<b>Maintenance of Traffic</b>
614	Lump	Maintaining Traffic, as per plan
		<b>Water Works</b>
801	Ft	6" Water Main Ductile Iron Pipe and Fittings
801	Ft	12" Water Main Ductile Iron Pipe and Fittings
802	Each	6" Valve and Appurtenances
802	Each	12" Valve and Appurtenances
805	Each	Water Service Relocated
809	Each	Fire Hydrant, Type A
Special	Lump	Water Work Miscellaneous
		<b>Sanitary Sewer</b>
604	Each	Sanitary Manhole Reconstructed to Grade
		<b>Traffic Control</b>
630	lump	Signing
644	lump	Pavement Markings
		<b>Lighting</b>
		<b>Signal</b>
632	lump	Traffic Signal
632	lump	Interconnect (Cable Only - no trench, no conduit)

		<b>Miscellaneous</b>
619	Month	Field Office, Type B
623	Lump	Construction Layout Stakes
624	Lump	Mobilization

SANITARY SEWER

<i>ITEM NO.</i>	<i>UNIT</i>	<i>DESCRIPTION</i>
		<i>Roadway</i>
201	Lump	Clearing and Grubbing, As Per Plan
202	Lump	Miscellaneous Removals
Special	Lump	Roadway Miscellaneous
		<i>Drainage</i>
Special	Lump	Drainage Miscellaneous
		<i>Sediment &amp; Erosion Control</i>
207	Sq Yd	Construction Seeding and Mulching
207	Lump	Inlet Protection
Special	Lump	Erosion Control Miscellaneous
		<i>Pavement</i>
252	Ft	Full Depth Pavement Sawing
253	Sq Yd	Pavement Repair
609	Ft	Straight 18" Curb
609	Ft	Combination Curb and Gutter, Type 2, As Per Plan
		<i>Maintenance of Traffic</i>
614	Lump	Maintaining Traffic, as per plan

		<b>Water Works</b>
Special	Lump	Water Work Miscellaneous
		<b>Sanitary Sewer</b>
603	Ft	8" Sanitary Sewer Pipe
603	Ft	12" Sanitary Sewer Pipe
603	Ft	15" Sanitary Sewer Pipe
604	Ft	Manhole, Type C, Sanitary
		<b>Miscellaneous</b>
619	Month	Field Office, Type B
623	Lump	Construction Layout Stakes
624	Lump	Mobilization



## FISCAL OFFICER'S CERTIFICATE

The undersigned, fiscal officer of the City of Hilliard, Ohio, hereby certifies that the moneys required to meet the obligations, if any, of the City during the year 2007 under the foregoing Service Payment Agreement have been lawfully appropriated by the Council of the City of Hilliard, Ohio for such purpose and are in the treasury of the City or in the process of collection to the credit of an appropriate fund, free from any previous encumbrances. This Certificate is given in compliance with Sections 5705.41 and 5705.44, Ohio Revised Code.

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Director of Finance  
City of Hilliard, Ohio

Dated: \_\_\_\_\_, 2007

**ORDINANCE**  
**of the**  
**CITY of HILLIARD, OHIO**

Ordinance No.: 08-02(Amended)  
Page 1 of 2 pages  
Passed: 01/28/2008  
Effective: 01/28/2008

**AUTHORIZING AN AMENDMENT TO THE SERVICE  
PAYMENT AGREEMENT BETWEEN THE CITY OF HILLIARD  
AND COLUMBUS CAMPUS, LLC AND AN AMENDMENT TO  
THE COMPENSATION AGREEMENT BETWEEN THE CITY  
AND THE BOARD OF EDUCATION OF THE HILLIARD CITY  
SCHOOL DISTRICT AND DECLARING AN EMERGENCY.**

**WHEREAS**, on March 26, 2007, City Council passed Ordinance No. 07-23 (Amended), which established certain real property within the Ansmil PUD Development to be subject to Tax Increment Financing, and in connection therewith, authorized the execution of (i) a Service Payment Agreement with the owner of the real property, Columbus Campus, LLC and (ii) a Compensation Agreement with the Hilliard City School District; and

**WHEREAS**, it was the intention at the time of the passage of Ordinance No. 07-23 (Amended) that a community development authority would be created by Columbus Campus for the purpose of providing the funding necessary for the construction of the Public Improvements identified within the Service Payment Agreement; and

**WHEREAS**, since that time, Hickory Chase Community Authority has been created and has taken steps to secure funding through the issuance of special revenue bonds that will be repaid as contemplated in the Service Payment Agreement; and

**WHEREAS**, as the funding mechanism for Hickory Chase has been evaluated and refined, Hickory Chase and Columbus Campus have requested certain amendments to the Service Payment Agreement and the Compensation Agreement to accommodate the issuance and sale of the bonds; and

**WHEREAS**, the amendments proposed will not have a negative impact to the City as originally contemplated when Ordinance No. 07-23 (Amended) was passed; and

**WHEREAS**, the Administration has agreed to submit the amendments to City Council on the condition that the School District approves the changes to the Compensation Agreement; and

**WHEREAS**, the Service Payment Agreement currently in effect expires on January 31, 2008 and because of this expiration date and because the Hickory Chase Community Authority wishes to proceed with the requirements necessary to effectuate the issuance of the bonds at the most advantageous opportunity, emergency passage of this Ordinance is requested.

**NOW, THEREFORE, BE IT ORDAINED** by the Council of the City of Hilliard, Ohio, that:

I, Lynn H. Fawcett  
Clerk of Council hereby certify that the foregoing is a true  
copy of Ordinance 08-02 (Amended)  
Hilliard the 28th day of January, 2007.

Lynn H. Fawcett  
Clerk of Council  
City of Hilliard

**SECTION 1.** The Mayor is hereby authorized to enter into the Amendment to Service Payment Agreement, which shall be in substantially the same form, with such changes as are not adverse to the City, as the one attached hereto as Exhibit A and incorporated herein.

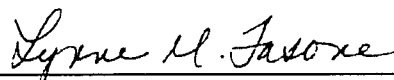
**SECTION 2.** The Mayor is hereby authorized to enter into the Amendment to Compensation Agreement, in the form attached hereto as Exhibit B and incorporated herein, with such changes as are not adverse to the City and only as are mutually acceptable to the City and the School District.

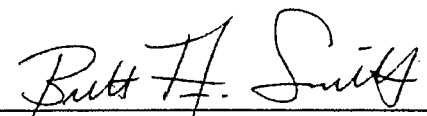
**SECTION 3.** The authorization granted in Sections 1 and 2 of this Ordinance is conditioned upon the approval, execution and delivery of the Amendment to the Compensation Agreement by the School District to the City.

**SECTION 4.** This Ordinance is hereby declared to be an emergency measure necessary for the preservation of the general safety, health, and welfare of the City of Hilliard. Emergency passage is necessary to ensure the continued performance by the municipality of its constitutional duty of local self-government. This Ordinance shall be in full force and effect from and after the earliest period provided for by law.

**ATTEST:**


**SIGNED:**

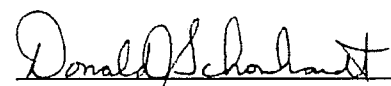
  
Lynne M. Fasone  
Clerk of Council

  
Brett A. Sciotto  
President of Council

**APPROVED AS TO FORM:**

**APPROVED:**

  
Pamela A. DeDent  
Director of Law

  
Donald J. Schonhardt  
Mayor

08-02(Amended)

**Vote:**

	Yea	Nay	Abstain
President Sciotto	✓		
Vice President Uttley	✓		
Allison	✓		
Iosue	✓		
Nichter	✓		
Roberts	✓		
Vacant Seat	-	-	-
Results:	6	0	0

**EXHIBIT A TO 08-02**

**AMENDMENT TO SERVICE PAYMENT AGREEMENT**

THIS **AMENDMENT TO SERVICE PAYMENT AGREEMENT** (the "Amendment") is made and entered into as of the \_\_\_\_\_ day of \_\_\_\_\_, between the **CITY OF HILLIARD, OHIO** (the "City"), a municipal corporation, having an address for purposes hereof at 3800 Municipal Way, Hilliard, Ohio 43026, and **COLUMBUS CAMPUS, LLC** (the "Developer"), a Maryland limited liability company, having an address for purposes hereof at 701 Maiden Choice Lane, Baltimore, Maryland 21228 (Terms used herein without definition shall have the meanings for such terms as set forth in the Service Payment Agreement, as defined below).

**WITNESSETH:**

WHEREAS, the City and the Developer have previously entered into a Service Payment Agreement (the "Service Payment Agreement"), entered into as of June 12, 2007 and authorized by City Council for the City pursuant to Ordinance No. 07-23 (Amended), passed on March 26, 2007 and effective on April 26, 2007, which Service Payment Agreement provides, among other things, for the payment by the Developer (or other owner of the TIF Site) of Service Payments and use of such Service Payments to fund the costs of certain Public Improvements; and

WHEREAS, the parties have determined that it is necessary to amend the Service Payment Agreement as provided in this Amendment so that the Developer will continue to work on the preliminary work on the Development and not abandon the Development prior to January 31, 2008, which is the current date upon which the Service Payment Agreement becomes null and void unless certain conditions described in the Service Payment Agreement are satisfied; and

NOW, THEREFORE, in consideration of the premises and the mutual covenants hereinafter contained, the City and the Developer, covenant, agree, and bind themselves as follows:

Section 1. Amendment of Definitions of "Obligee" and "School Compensation Agreement." The definition of "School Compensation Agreement" in Section 1 of the Service Payment Agreement is hereby amended in its entirety to read as follows:

"**Obligee**" means the City, the Treasurer of the County, any governmental issuer of bonds to finance the Public Improvements, and the trustee acting for the benefit of the holders from time to time of such bonds.

"**School Compensation Agreement**" means the Compensation Agreement between the City and the School District, dated June 15, 2007, as the same may be amended from time to time.

Section 2. Amendment of Section 2 of the Service Payment Agreement Section 2 of the Service Payment Agreement is hereby amended in its entirety to read as follows:

**SECTION 2. DEVELOPMENT.** The parties intend that, in the event (a) that this Agreement becomes effective in the manner provided in Section 12 hereof and (b) Britton Parkway is constructed such that the Developer has received its first occupancy permit as required under the Ansmil PUD Development Text dated March 28, 2007, approved by the Hilliard City Council (a copy of which is in the office of the Clerk of Council), upon full build-out of the TIF Site (which the Developer intends will be completed by the end of 2017) and based upon an appraisal by the

County Auditor, the true value (presently identified as "Market Total Value" on the records of the County Auditor) of the TIF Site (as determined by the County Auditor and referred to herein as the "True Value") will be at least One Hundred Forty Million Dollars (\$140,000,000) (the "Minimum Value"). The Developer hereby agrees (and by the recording of this instrument, each Owner also agrees) not to contest the amount or validity of any taxes, assessments or other charges (including but not limited to seeking a reduction in the valuation of the TIF Site) in a manner that will cause the True Value of the TIF Site to be less than the Minimum Value.

Section 3. Amendment to Section 4 of the Service Payment Agreement. Section 4 of the Service Payment Agreement is hereby amended in its entirety to read as follows:

SECTION 4. TAX EXEMPTION: OBLIGATION TO MAKE SERVICE PAYMENTS.

Pursuant to the TIF Act and the TIF Ordinance, the City has declared that 100% of the Improvements to the TIF Site are a public purpose entitled to exemption from real property taxation for the Exemption Period. During the term of this Service Payment Agreement, the Service Payments to be made by the Owners will equal the real property taxes that would have been payable with respect to 100% of the Improvements to the TIF Site had such exemption not been granted, which Service Payments will vary from time to time, including as the assessed value of the real property comprising the TIF Site (and of the Improvements) and the applicable tax rates vary. Each of the Owners shall pay the Service Payments, when due, on each applicable Service Payment Date until termination or expiration of this Service Payment Agreement.

In the event that any Service Payment or any installment thereof, is not paid when due by any Owner on any Service Payment Date, to the extent that the County does not impose a late fee or delinquency charge, the City may impose and collect a late payment charge, payable to the City, in the amount of the charges for late payment of real property taxes, including penalty and interest, which would have been paid pursuant to O.R.C. Section 323.121 on the delinquent amount.

No Owner shall, under any circumstances, be required to pay both real property taxes with respect to an Improvement and Service Payments for any tax year with respect to that Improvement, whether pursuant to O.R.C. Section 5709.42, the TIF Ordinance, this Agreement or any other applicable law.

Section 4. Amendment of Section 5 of the Service Payment Agreement Section 5 of the Service Payment Agreement is hereby amended in its entirety to read as follows:

SECTION 5. DEPOSITS OF SERVICE PAYMENTS. Upon receipt by the City from the County, the Service Payments shall be deposited into the TIF Fund and credited to the following Accounts in the priority set forth below:

FIRST: The portion of the Service Payment, representing the School Compensation Amount, as calculated and provided in accordance with the terms of the School Compensation Agreement, shall be credited to the School District Account; and

SECOND: A portion of the Service Payment representing that amount required to pay the principal, interest, and related costs, fees and expenses of the bonds or other obligations issued to finance the Public Improvements, including the funding of any reserves for such bonds, due in that year, shall be credited to the Special Account; and

THIRD: That portion of the Service Payment remaining after the deposits required in FIRST and SECOND above shall constitute Excess Service Payments and be credited to the Excess Account.

Amounts credited to the Special Account shall constitute Assigned Service Payments that shall be assigned to the Authority or the trustee for any obligations issued by the Authority to finance the Public Improvements or for any obligations issued to refund such obligations to provide for and to secure the repayment of such obligations or refunding obligations. The Mayor and the Director of Law, alone or together may, without further authorization of Council, execute such agreements or instruments as may be reasonably necessary or appropriate to effect or evidence such assignment and to assure, to the extent the City is able to assure, the exemption of the Improvements from real property taxation during the Exemption Period.

Excess Service Payments shall be used first to be deposited to the Special Account to pay debt service or other charges on the obligations issued to finance the Public Improvements or to refund such obligations to the extent required and, after December 15 of each year, any unused Excess Service Payments may then be used by the City for such purposes authorized by the TIF Act and the TIF Ordinance.

The trustee for any obligations issued by the Authority to finance the Public Improvements or any obligations issued to refund such obligations, on behalf of the holders of such obligations, and the Authority, shall be deemed to be third party beneficiaries of this Agreement, so long as such obligations are outstanding.

Section 5. Amendment of Section 6 of the Service Payment Agreement Section 6 of the Service Payment Agreement is hereby amended in its entirety to read as follows:

SECTION 6. APPLICATION OF IMPACT FEES. In accordance with Chapter 1187 of the City Code, the Developer is required to pay development impact fees in the amount of \$1,500 per independent living unit developed on the TIF Site (the "Impact Fees"). The City agrees, for the first ten years that this Agreement is in effect, to deposit the Impact Fees received with respect to the TIF Site into the Special Account or such other fund provided in the trust agreement or indenture executed in connection with the issuance of the bonds (or other obligations) issued by the Authority to finance the Public Improvements and that such amounts will be available during such ten-year period to pay the debt service charges on (including the funding of reserves for) such bonds (or other obligations). At the end of such ten-year period, any Impact Fees that have not been used to pay debt service charges on (including the funding of reserves for) the bonds (or other obligations) issued to finance the Public Improvements shall be released from the lien of the trust agreement or indenture and shall be transferred to the City and used for any lawful purpose.

Section 6. Amendment of Section 8 of the Service Payment Agreement Section 8 of the Service Payment Agreement is hereby amended in its entirety to read as follows:

SECTION 8. BINDING NATURE OF OBLIGATIONS; SECURITY FOR PAYMENT. Anything herein to the contrary notwithstanding, upon the effective date of this Agreement, the Owners' obligation hereunder to pay Service Payments and to perform and observe any other agreements on their part contained herein (but expressly subject to Section 2 hereof), shall be absolute and unconditional and shall be covenants running with the land and shall be binding and enforceable by the City, the School District to the extent provided in this Agreement, the trustee acting for the benefit of the holders from time to time of any bonds issued to finance the Public Improvements, and, subject to the terms of the trust agreement entered into with respect to such

bonds, the holders of such bonds, against the Owners, as applicable, but only to the extent of the respective Owners' obligations and only with respect to its or their interest in the TIF Site and the Improvements, or any part thereof or any interest therein. Each Owner's obligation to pay the Service Payments shall be secured by a lien on its interest in the TIF Site and the Improvements, as provided by law and described in Section 15.

Subject to the provisions of Section 2 hereof, the obligations of the Owners will not be terminated for any cause including, without limiting the generality of the foregoing, but by way of example, delay in completion of or failure to complete the Improvements or any other improvements included in the Development, the Infrastructure Improvements or any other obligation of the City or the Developer hereunder; any acts or circumstances that may constitute failure of consideration, destruction of or damage to the Development or the Infrastructure Improvements; commercial frustration of purpose; any change in the constitution, tax or other laws or judicial decisions or administrative rulings of or administrative actions by or under authority of the United States of America or of the State or any political subdivision thereof. Except as may be expressly provided herein, nothing contained in this Service Payment Agreement shall be construed to release any Owner from the performance of any of the agreements or obligations on its part contained in this Service Payment Agreement.

Section 7. Amendment of Section 9 of the Service Payment Agreement Section 9 of the Service Payment Agreement is hereby amended in its entirety to read as follows:

SECTION 9. PAYMENT OF TAXES; CONTESTS. Each Owner shall pay, cause, or require to be paid, as the same become due, all taxes, assessments, whether general or special, and governmental charges of any kind whatsoever that may at any time be lawfully assessed or levied against or with respect to the TIF Site (except as otherwise provided herein) or any personal property or fixtures installed or brought therein or thereon (including, without limiting the generality of the foregoing, and by way of example, any taxes levied against a Owner with respect to the receipts, income or profits from leasing or subleasing space within the Improvements, which, if not paid, may become or be made a lien on all or any portion of the TIF Site) and all utility and other charges incurred in the operation, maintenance, use, occupancy and upkeep of the TIF Site. Notwithstanding the foregoing, nothing herein is intended to prevent any Owner (or a successor, assign or transferee), at its expense and in good faith from contesting the amount or validity of any taxes, assessments or other charges (including but not limited to seeking a reduction in the valuation of the TIF Site), and the only recourse of the City to enforce the payment of those items will be to the TIF Site, and the interest or interests of the respective Owner therein; provided, however, that while this Agreement remains in effect, no Owner shall contest the amount or validity of any taxes, assessments or other charges (including but not limited to seeking a reduction in the valuation of the TIF Site) in such a way as would cause the True Value of the TIF Site to be less than the Minimum Value, but only if the Public Improvements are constructed as provided herein. Nothing in this Service Payment Agreement shall require an Owner or any other person to pay or reimburse for payment of any Federal, State or local tax of any kind or character (whether based on gross or net income, gross receipts or otherwise) which is imposed or levied on the City, or any other entity, on funds held by the trustee for bonds issued to finance the Public Improvements or by a depository of the City, or on the holders of such bonds or any other Obligations.

Section 8. Amendment of Section 12 of the Service Payment Agreement Section 12 of the Service Payment Agreement is hereby amended in its entirety to read as follows:

SECTION 12. EFFECTIVE DATE: DURATION OF AGREEMENT. This Service Payment Agreement shall become effective on the date that the Developer (a) has acquired fee simple title to the TIF Site and (b) has delivered written notice to the City that the Developer intends to proceed with the Development. If the conditions set forth in (a) and (b) above are not satisfied by July 31, 2008, then this Agreement shall be null and void. Unless sooner terminated, this Agreement shall expire at the end of the Exemption Period; provided, however, that the covenant of the Developer (which is binding on any Owner) not to contest the amount or validity of any taxes, assessments or other charges (including but not limited to seeking a reduction in the valuation of the TIF Site) in such a way as would cause the True Value of the TIF Site to be less than the Minimum Value (subject to the conditions set forth in Section 2 and Section 9 hereof) shall survive the termination or expiration of this Agreement and remain in effect for 30 years from the effective date of this Agreement. Upon expiration or termination of this Agreement, the City will cause this Service Payment Agreement to be cancelled of record.

Section 9. Amendment of Section 15 of the Service Payment Agreement Section 15 of the Service Payment Agreement is hereby amended in its entirety to read as follows:

SECTION 15. ENFORCEMENT: FORECLOSURE OF LIEN. The provisions of this Service Payment Agreement may be enforced to the fullest extent permitted by law, by the City and the Treasurer of the County of Franklin (Ohio) and, with respect to the obligations of the Developer and the other Owners, to the fullest extent permitted by law, by the School District to the extent provided in this Agreement, and to the extent applicable, any of the Obligees. It is the intention and agreement of the Developer, as an Owner, that this Service Payment Agreement and the covenants herein made shall be specifically enforceable by the City, by the School District to the extent provided in this Agreement, and by each of the Obligees against the Owners, by mandatory injunction or any other remedy at law or in equity, subject to Sections 8 and 12 hereof. It is the further intention and agreement of the Developer, as an Owner, that this Service Payment Agreement shall constitute and be deemed to be a lien encumbering and running with the real property comprising the TIF Site to secure the obligations of the Owners to make Service Payments (and, if applicable, pay interest and penalties), intended to have the same lien rights as real estate taxes and the same priority in accordance with O.R.C. §§323.11 and 5709.91. In furtherance of the foregoing, it is the intention of the Developer, as an Owner, that the City or the Obligees may, upon the occurrence of an event of default set forth in Section 14 hereof, and without limiting any other right or remedy otherwise available to the City, the School District or any such Obligee, take all such steps as may be legally available to it to foreclose upon such lien pursuant to the procedures and requirements of Ohio law relating to either mortgage liens or delinquent real estate taxes; provided that nothing contained in this Agreement shall be deemed to authorize any acceleration of Service Payments due in future years. The provisions of this Section shall encumber and run with the real property comprising the TIF Site.

Notwithstanding anything in this Agreement to the contrary, the School District's rights as third party beneficiary hereunder shall be effective only during the term of the Exemption Period.

Section 10. Continued Effectiveness of Service Payment Agreement. The Service Payment Agreement, as amended by this Amendment, shall remain in full force and effect in accordance with its terms.

Section 11. Counterparts: Captions. This Amendment may be executed in counterpart, and in several counterparts, each of which shall be regarded as an original and all of which shall constitute but



one and the same agreement. Captions have been provided herein for convenience only and shall not affect the construction or interpretation of this Amendment.

Section 12. No City Expenditures. Nothing contained in this Amendment shall be construed to require the City to expend funds in connection with the performance of this Amendment in the 2007 fiscal year.

The parties have caused this Amendment to be executed by their duly authorized officers, effective as of the date and under the conditions provided herein.

DEVELOPER:

COLUMBUS CAMPUS, LLC

By: Erickson Retirement Communities, LLC,  
Member

By: \_\_\_\_\_

Gerald F. Doherty  
Executive Vice President,  
General Counsel and Secretary

THE CITY OF HILLIARD, OHIO

By: \_\_\_\_\_

Its: \_\_\_\_\_

Print Name: \_\_\_\_\_

Approved as to form:

\_\_\_\_\_  
Pamela A. DeDent, Director of Law  
City of Hilliard

**AMENDMENT TO COMPENSATION AGREEMENT**

This Amendment to Compensation Agreement (the "Amendment") is made and entered into this \_\_\_\_ day of \_\_\_\_\_ by and between the **CITY OF HILLIARD, OHIO** (the "City"), a municipal corporation organized and existing under the constitution and the laws of the State of Ohio and its Charter, with its principal offices at 3800 Municipal Way, Hilliard, Ohio 43026, and the **BOARD OF EDUCATION OF THE HILLIARD CITY SCHOOL DISTRICT** (the "School District"), a public school district with its principal offices located at 5323 Cemetery Road, Hilliard, Ohio 43026. (Terms used herein without definition shall have the meanings for such terms as set forth in the Compensation Agreement, as defined below)

**WITNESSETH:**

**WHEREAS**, the City and the School District have entered into a Compensation Agreement (the "Compensation Agreement"), dated June 15, 2007, pursuant to which the City has agreed to make Compensation Payments to the School District as a result of implementing Tax Increment Financing ("TIF") on the Columbus Campus TIF Site (as defined in the Compensation Agreement); and

**WHEREAS**, the Compensation Payments are generally calculated to compensate the School District with respect to the increased real property taxes that the School District would have received with respect to the Improvements on a site, but for the TIF Exemption, factoring in the amount by which the School District's State Foundation Payment (calculated under Chapter 3317 of the Revised Code and other applicable law) would have decreased had the Improvements not been subject to the TIF Exemption; and

**WHEREAS**, at the time that the parties entered into the Compensation Agreement, the parties expected that, with respect to the calculation of the School Foundation Payment, the School District would no longer receive state funding as a "guarantee district" beginning at the start of the School District's 2008 fiscal year (July 1, 2007); and

**WHEREAS**, the City, pursuant to a Service Payment Agreement between the City and Columbus Campus, LLC, will transfer to the Hickory Chase Community Authority (the "Authority") the Service Payments with respect to the Columbus Campus TIF Site, less Compensation Payments, to be used by the Authority to pay debt service charges, fees and expenses of bonds (the "Bonds") that the Authority will have issued to finance the Public Infrastructure Improvements, including the funding of any reserves for the Bonds; and

**WHEREAS**, because it is not certain when, if ever, the School District will no longer be a "guarantee district" for purposes of receiving School Foundation Payments, the parties have agreed to amend the Compensation Agreement to address the uncertain state funding issue; and

**WHEREAS**, the City passed Ordinance No. \_\_\_\_\_ on \_\_\_\_\_, 200\_ (the "Amending Ordinance") authorizing this Amendment; and

**WHEREAS**, the Board of the School District has authorized this Amendment by a Resolution adopted on \_\_\_\_\_, 200\_ (the "Amending Resolution").

**NOW, THEREFORE**, in consideration of the premises and mutual covenants contained herein, the parties agree and bind themselves as follows:

Section 1. Amendment of Section 1 of the Compensation Agreement. Section 1 of the Compensation Agreement is hereby amended in its entirety to read as follows:

Section 1. Calculation of Payments to School District. As provided in the School District Resolution, the School District approves the exemption for one hundred percent (100%) of the Improvements to real property (the "TIF Exemption") located in the Columbus Campus TIF Site (the "Exempted Property") for a period of up to 30 years (the "Exemption Period").

(a) As consideration for the School District entering into this Agreement and its waiving the application of Section 5709.82 of the Ohio Revised Code to the Columbus Campus TIF Site, the City agrees, as to the real property in the Columbus Campus TIF Site, to pay the School District solely from the service payments in lieu of taxes ("Service Payments") collected with respect to the Improvements pursuant to Ohio Revised Code Sections 5709.40, 5709.42 and 5709.43 and the TIF Ordinance, an annual payment (the "Compensation Payment") calculated as follows:

$$A = ([B - 23]/C) \times D$$

Where the terms have the following meaning:

- |   |   |  |
|---|---|--|
| A | = | Compensation Payment   |
| B | = | School District Class 2 (non-res/ag) effective rate relating to that year (expressed in mills)                         |
| C | = | Composite Class 2 (non-res/ag) effective rate for all subdivisions comprising the taxing district (expressed in mills) |
| D | = | Service Payments received by the City in that year   |

(b) The City shall transmit the Compensation Payment to the School District as provided in Section 2 below. The Compensation Payment due to the School District shall be made by the City solely from the Service Payments it receives from the Franklin County Treasurer, and the City shall not be obligated to pay the School District any Compensation Payment from any other revenue source. Nothing in this Agreement shall be construed or interpreted to pledge the full faith and credit of the City to make Compensation Payment to the School District under this Agreement, nor shall the City be

obligated to make Compensation Payment in excess of the amount of Service Payments it receives from the County Treasurer:

(c) The Service Payments received by the City shall be first applied toward satisfying the City's obligations to make Compensation Payments under this Agreement. The City may use any remaining Service Payments and supplemental payments in the manner and to the extent permitted by law, the TIF Ordinance, and the Service Payment Agreement.

Section 2. Amendment of Section 2 of the Compensation Agreement. Section 2 of the Compensation Agreement is hereby amended in its entirety to read as follows:

Section 2. Payment of Compensation Payments to the School District. By September 30<sup>th</sup> of each year, the Treasurer of the School District shall certify in writing (the "Certification") to the City the amount of the Compensation Payment to be made by the City with respect to the current calendar year. The City shall pay to the School District, by bank or cashier's check or direct deposit, the amount of the Compensation Payment within thirty (30) days of the later of (i) the receipt by the City of the second-half real property tax settlement, and (ii) the receipt of the Certification.

Section 3. Additional Agreement with Columbus Campus LLC with Respect to Minimum Valuation. The parties acknowledge that, for long as the Service Payment Agreement is in effect, Columbus Campus LLC will guarantee to the School District (the "Minimum Value Guarantee Agreement") that the Columbus Campus TIF Site, including the Improvements thereto, upon full build-out (expected to occur by December 31, 2017) will be appraised by the Franklin County Auditor at a true value of at least \$140,000,000 (the "Minimum Value"). In the event that such Improvements are not valued at the Minimum Value upon full build-out, for as long as the Service Payment Agreement is in effect, Columbus Campus LLC will make an annual payment to the School District (a "Minimum Value Payment") calculated as follows:

$$A = (B - 23)/1000 \times (C - D)$$

Where the terms have the following meaning:

A	=	Minimum Value Payment
B	=	School District Class 2 (non-res/ag) effective rate relating to that year (expressed in mills)
C	=	Assessed value (determined in accordance with Ohio law) of commercial property with a true value of \$140,000,000 (currently 35%, or \$49,000,000)
D	=	Actual assessed value (determined in accordance with Ohio law) of the Columbus Campus TIF Site

The form of the Minimum Value Guarantee Agreement is attached to this Agreement as Exhibit B. The Minimum Value Guarantee Agreement and the amount thereof may be amended by Agreement between the School District and Columbus Campus LLC.

Section 4. Continued Effectiveness of Compensation Agreement. The Compensation Agreement, as amended by this Amendment, shall remain in full force and effect in accordance with its terms. Terms of the Compensation Agreement not modified herein shall remain in full force and effect.

Section 5. Counterparts. This Amendment may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument, and any party to this Amendment may execute this Amendment by signing any such counterpart.

WHEREFORE, the parties hereto, each by a duly authorized representative, have entered into this Amendment on the date first set forth above.

**CITY OF HILLIARD, OHIO**

**BOARD OF EDUCATION OF THE  
HILLIARD CITY SCHOOL DISTRICT**

By: \_\_\_\_\_  
Mayor

By: \_\_\_\_\_  
Superintendent

By: \_\_\_\_\_  
Treasurer

By: \_\_\_\_\_  
President of the Board of Education

Approved as to form:

\_\_\_\_\_  
Pamela A. DeDent, Law Director  
City of Hilliard, Ohio

**FISCAL OFFICER'S CERTIFICATE**

As the Fiscal Officer of the City of Hilliard, Ohio, I, Michelle Kelly-Underwood, certify that the money required to meet the obligations of the City of Hilliard under the attached agreement during the year 2007 has been lawfully appropriated by the Council of the City for those purposes and is in the treasury of the City or in the process of collection to the credit of the appropriate fund, free from any previous encumbrances. This certificate is given in compliance with Section 5705.41 of the Ohio Revised Code.

Dated: \_\_\_\_\_, 2007

\_\_\_\_\_  
Director of Finance  
City of Hilliard, Ohio

## MINIMUM VALUE GUARANTEE AGREEMENT

This Minimum Value Guarantee Agreement (the "Agreement") is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 200\_ by and between **COLUMBUS CAMPUS LLC** ("Columbus Campus LLC"), a Maryland limited liability company registered as a foreign limited liability company under the laws of the State of Ohio, having an address for purposes hereof at 701 Maiden Choice Lane, Baltimore, Maryland 21228, and the **BOARD OF EDUCATION OF THE HILLIARD CITY SCHOOL DISTRICT** (the "School District"), a public school district with its principal offices located at 5323 Cemetery Road, Hilliard, Ohio 43026.

### WITNESSETH:

**WHEREAS**, the City of Hilliard, Ohio (the "City") and Columbus Campus LLC have entered into a Service Payment Agreement (the "Service Payment Agreement"), dated June 12, 2007, as amended by the Amendment to the Service Payment Agreement (the "Service Payment Agreement Amendment"), dated \_\_\_\_\_, 200\_, wherein the City agrees, among other things, to transfer to the Hickory Chase Community Authority the Service Payments (as defined in the Service Payment Agreement) with respect to the Columbus Campus TIF Site (as hereinafter defined), less Compensation Payments (as hereinafter defined), to be used by the Hickory Chase Community Authority to pay debt service charges on Bonds it will have issued to finance certain Public Improvements (as defined in the Service Payment Agreement); and

**WHEREAS**, the City and the School District have entered into a Compensation Agreement (the "Compensation Agreement"), dated June 15, 2007, pursuant to which the City has agreed to make Compensation Payments to the School District as a result of implementing Tax Increment Financing ("TIF") on the Columbus Campus TIF Site; and

**WHEREAS**, the Compensation Payments are generally calculated to compensate the School District with respect to the increased real property taxes that the School District would have received with respect to the Improvements on the Columbus Campus TIF Site, but for the TIF exemption, factoring in the amount by which the School District's State Foundation Payment (calculated under Chapter 3317 of the Revised Code and other applicable law) would have decreased had the Improvements not been subject to the TIF exemption; and

**WHEREAS**, at the time that the parties entered into the Compensation Agreement the School District was advised, pursuant to the terms of the Service Payment Agreement, that the calculation of Service Payments would be based on the Minimum Value; and

**WHEREAS**, the Service Payment Agreement has been amended by the Service Payment Agreement Amendment, which provides that the calculation of Service Payments is based not on the Minimum Value, but on the assessed value of the real property comprising the Columbus Campus TIF Site (and the Improvements thereon) and any applicable tax rates;

**WHEREAS**, the City passed Ordinance No. \_\_\_\_ on \_\_\_\_\_, 200\_ (the "Amending Ordinance"), and the Board of the School District adopted Resolution No. \_\_\_\_ on \_\_\_\_\_, 200\_ (the "Amending Resolution"), each authorizing an Amendment to the Compensation Agreement (the "Compensation Agreement Amendment");

**WHEREAS**, pursuant to the Compensation Agreement Amendment, the amount of the Service Payments calculated under the Service Payment Agreement and the Service Payment Agreement Amendment directly affects the calculation of the annual Compensation Payment made to the School District by the City; and

**WHEREAS**, pursuant to the Compensation Agreement Amendment, Columbus Campus LLC wishes to guarantee to the School District a Minimum Value upon full build-out of the Columbus Campus TIF Site so that the revenues that the School District receives as a result of the Compensation Payments under the Compensation Agreement, upon full build-out of the Columbus Campus TIF Site, will be in an amount equal to that amount that the School District would have received had the Service Payments been based on such Minimum Value.

**NOW, THEREFORE**, in consideration of the premises and covenants contained herein, the parties hereto agree as follows:

Section 1. Definitions. As used in this Agreement, the following terms shall have the meanings set forth below:

"City" means the City of Hilliard, Ohio.

"Columbus Campus TIF Site" means the parcel of real property of approximately 78.386 acres located within Hilliard, Ohio exempted from real property taxation for Improvements thereon, a description and depiction of which is attached hereto as Exhibit A and incorporated herein.

"Compensation Agreement" means the Compensation Agreement between the City and the School District, dated June 15, 2007, pursuant to which the City agrees to make Compensation Payments to the School District as a result of implementing Tax Increment Financing.

"Compensation Agreement Amendment" means the Amendment to the Compensation Agreement between the City and the School District, dated \_\_\_, 200\_, pursuant to which the parties agree to amend the Compensation Agreement to address uncertainty in the calculation of the Compensation Payment as a result of uncertainty in the status of the School District as a "guarantee district" for purposes of receiving State Foundation Payments.

"Exemption Period" means the period commencing with the tax year (not earlier than the date that Columbus Campus LLC closes on the purchase of the Columbus Campus TIF Site) in which the Improvement first appears on the tax list and duplicate of real and public utility property (the "Commencement Date") and ending on the earlier to occur of (a) the thirtieth (30th) anniversary of such Commencement Date, or (b) the date on which any obligations of the City, or any other government entity authorized under Ohio law issued to finance the cost of making the Public Improvements, are paid in full.

"Franklin County Auditor" means the Auditor of Franklin County, Ohio.



"Improvements" means "improvement" as that term is defined in Section 5709.40(A)(4) of the Ohio Revised Code.

"Minimum Value" means a true value (prior to determination of assessed valuation) as determined by the Franklin County Auditor of at least \$140,000,000 for the Columbus Campus TIF Site upon full build-out (expected to occur by December 31, 2017).

"Service Payments" means the annual payments to be made in lieu of taxes by the owners of the Columbus Campus TIF Site, including Columbus Campus LLC, pursuant to the terms of the Service Payment Agreement and the Service Payment Agreement Amendment.

"Service Payment Agreement" means the Service Payment Agreement between the City of Hilliard, Ohio and Columbus Campus LLC, dated June 12, 2007, as the same may be amended from time to time.

"Service Payment Agreement Amendment" means the Amendment to the Service Payment Agreement between the City of Hilliard, Ohio and Columbus Campus LLC, dated \_\_\_\_, 200\_\_, as the same may be amended from time to time.

Section 2. Agreement to Make Minimum Value Payment. Columbus Campus LLC guarantees to the School District that the Columbus Campus TIF Site, including the Improvements thereto, upon full build-out, will be appraised by the Franklin County Auditor at the Minimum Value. In the event that such Improvements are not appraised at the Minimum Value upon full build-out, Columbus Campus LLC will make an annual payment to the School District (the "Minimum Value Payment") calculated as follows:

$$A = (B - 23)/1000 \times (C - D)$$

Where the terms have the following meaning:

A	=	Minimum Value Payment
B	=	School District Class 2 (non-res/ag) effective rate relating to that year (expressed in mills)
C	=	Assessed value (determined in accordance with Ohio law) of commercial property with a true value of \$140,000,000 (currently 35%, or \$49,000,000)
D	=	Actual assessed value (determined in accordance with Ohio law) of the Columbus Campus TIF Site

Section 3. Payment without Demand. All Minimum Value Payments required to be made to the School District under this Agreement shall be made without demand or invoice by the School District. Such Minimum Value Payments shall be made no later than September 30<sup>th</sup> each year.

Section 4. Effective Date: Duration of Agreement. This Agreement shall become effective on the date that the Service Payment Agreement becomes effective and shall remain in effect for a term of thirty (30) years.

Section 5. Amendment. This Agreement may be amended or modified by the parties only in writing, signed by both parties, and approved by the Board of Education of the Hilliard City School District, if required.

Section 6. Entire Agreement; Waiver of Notice. This Agreement sets forth the entire agreement and understanding between the parties as to the subject matter hereof and merges and supersedes all prior discussions, agreements, and undertakings of every kind and nature between the parties with respect to the subject matter of this Agreement. The parties agree to take such actions as may be necessary to effect the provisions of this Agreement and the distribution of the Minimum Value Payment as contemplated herein.

Section 7. Notices. All payments, certificates and notices which are required to or may be given pursuant to the provisions of this Agreement shall be sent by United States ordinary mail, postage prepaid, and shall be deemed to have been given or delivered when so mailed to the following addresses:

If to Columbus Campus LLC: Columbus Campus LLC  
701 Maiden Choice Lane  
Baltimore, Maryland 21228  
Attention: Legal Department

If to the School District: Hilliard City School District  
5323 Cemetery Road  
Hilliard, Ohio 43026  
Attention: Treasurer

Either party may change its address for receiving notices and reports by giving written notice of such change to the other party.

Section 8. Severability of Provisions. The invalidity of any provision of this Agreement shall not affect the other provisions of this Agreement, and this Agreement shall be construed in all respects as if any invalid portions were omitted.

Section 9. Counterparts. This Agreement may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument, and any party to this Agreement may execute this Agreement by signing any such counterpart.

Section 10. Assignment. This Agreement shall inure to the benefit of and shall be binding in accordance with its terms upon the School District and Columbus Campus LLC and their respective permitted successors and assigns. This Agreement may be assigned by Columbus Campus LLC to any successor entity as a result of consolidation or merger, or to any operating entity for the Improvements. Any other assignment of this Agreement by Columbus Campus LLC shall require the prior written consent of the School District, which consent shall not be unreasonably withheld.

[The Balance of This Page Intentionally Left Blank]

WHEREFORE, the parties hereto, each by a duly authorized representative, have entered into this Agreement on the date first set forth above.

**COLUMBUS CAMPUS LLC**

By: Erickson Retirement Communities, LLC,  
Member

By: \_\_\_\_\_  
Gerald F. Doherty  
Executive Vice President,  
General Counsel and Secretary

**BOARD OF EDUCATION OF THE  
HILLIARD CITY SCHOOL DISTRICT**

By: \_\_\_\_\_  
Superintendent

By: \_\_\_\_\_  
Treasurer

By: \_\_\_\_\_  
President of the Board of Education

EXHIBIT A

DESCRIPTION OF TIF SITE

The TIF Site includes the real property described below and shown on the attached site map.

78.386 ACRES

Situate in the State of Ohio, County of Franklin, City of Hilliard, lying in Virginia Military Survey Nos. 3000 and 4854, being all of Tract One and part of Tract Two and Tract Three as conveyed to Wolpert Enterprises, Limited by deed of record in Instrument Number 200204080088414, part of Parcel Two, Tract Two and Parcel Two, Tract Three as conveyed to Ansmil Limited Partnership by deeds of record in Official Record 32225 G17 and 32225 I05, and part of Tract 1 as conveyed to Ansmil Limited Partnership by deed of record in Official Record 32225 G17, (all references refer to the records of the Recorder's Office, Franklin County, Ohio) being more particularly described as follows:

Beginning, for reference, at Franklin County Geodetic Survey Monument Number 0005 RESET found at the centerline intersection of Davidson Road and Leap Road, being the northwesterly corner of said Tract Three;

Thence South 23° 37' 07" East, a distance of 1241.49 feet, with the centerline of said Leap Road, and the westerly line of said Tract Three to a magnetic nail set, the TRUE POINT OF BEGINNING;

Thence across said Tract Three, the following courses and distances:

North 68° 44' 53" East, a distance of 606.78 feet, to an iron pin set at a point of curvature;

With said curve to the left, having a central angle of 09° 08' 20", a radius of 1099.00 feet, an arc length of 175.29 feet, and a chord which bears North 60° 37' 51" East, a chord distance of 175.11 feet, to an iron pin set;

North 23° 37' 07" West, a distance of 384.33 feet, to an iron pin set;

Thence North 84° 08' 15" East, a distance of 1135.86 feet, across said Tracts Three Two, and said Tract 1, to an iron pin set;

Thence South 06° 18' 57" East, a distance of 353.65 feet, continuing across said Tract 1, to an iron pin set at a point of curvature;

Thence with said curve to the left, having a central angle of 17° 44' 53", a radius of 1333.99 feet, an arc length of 413.22 feet, and a chord which bears South 14° 47' 43" East, a chord distance of 411.57 feet, across Tract 1 and said Tract Two, to an iron pin set at a point of tangency;

Thence South 23° 40' 10" East, a distance of 1074.93 feet, across said Tract Two and said Parcel Two, Tract Two, to an iron pin set at a point of curvature;

Thence across said Parcel Two, Tract Two and Three, the following courses and distances:

With said curve to the right, having a central angle of 07° 56' 29", a radius of 1388.25 feet, an arc length of 192.42 feet, and a chord which bears South 19° 41' 53" East, a chord distance of 192.26 feet, to an iron pin set at a point of tangency;

South 15° 13' 22" East, a distance of 24.61 feet, to an iron pin set at a point of curvature;

With said curve to the right, having a central angle of 00° 03' 27", a radius of 1244.97 feet, an arc length of 1.25 feet, and a chord which bears South 15° 25' 34" East, a chord distance of 1.25 feet, to an iron pin set;

South 76° 07' 35" West, a distance of 101.31 feet, to an iron pin set;  
 South 70° 47' 24" West, a distance of 286.15 feet, to an iron pin set;  
 South 68° 02' 13" West, a distance of 159.38 feet, to an iron pin set;  
 South 82° 20' 53" West, a distance of 300.01 feet, to an iron pin set;  
 South 76° 34' 35" West, a distance of 307.14 feet, to an iron pin set;  
 South 82° 47' 36" West, a distance of 138.56 feet, to an iron pin set;  
 North 79° 56' 50" West, a distance of 85.56 feet, to an iron pin set;  
 North 71° 18' 50" West, a distance of 150.01 feet, to an iron pin set;  
 North 65° 38' 53" West, a distance of 208.41 feet, to an iron pin set;  
 North 57° 48' 25" West, a distance of 129.32 feet, to an iron pin set;  
 North 59° 01' 48" West, a distance of 170.38 feet, to an iron pin set;  
 North 67° 18' 16" West, a distance of 57.59 feet, to an iron pin set;

North 80° 44' 53" West, a distance of 59.20 feet, to a magnetic nail set in the centerline of said Leap Road; being North 02° 32' 02" East, a distance of 288.37 feet, from Franklin County Geodetic Survey Monument Number 0007 found at an angle point in said centerline;

Thence North 02° 32' 02" East, a distance of 391.90 feet, with said centerline and a westerly line of said Parcel Two, Tract Three, to Franklin County Geodetic Survey Monument Number 0006 found at an angle point in said centerline, being the common corner of said Parcel Two, Tract Three and said Tract One;

Thence North 23° 37' 07" West, a distance of 811.87 feet, with said centerline and the westerly line of said Tract One, to the TRUE POINT OF BEGINNING, containing 78.386 acres, more or less.

Subject, however, to all legal rights-of-way and/or easements, if any, of previous record.

Iron pins set, where indicated, are iron pipes, thirteen sixteenths (13/16) inch inside diameter, thirty (30) inches long with a plastic plug placed in the top bearing the initials EMHT INC.

This description is based on existing record and field work performed in December, 2006.

Bearings are based on the Ohio State Plane Coordinate System, South Zone, as per NAD83 (1986 Adjustment). Control for bearings was from coordinates of monuments FCGS 0005 RESET and FCGS 0006, having a bearing of North 23° 37' 07" West, established by the Franklin County Engineering Department, using Global Positioning System procedures and equipment.

## AMENDMENT TO SERVICE PAYMENT AGREEMENT

THIS AMENDMENT TO SERVICE PAYMENT AGREEMENT (the "Amendment") is made and entered into as of January 29, 2008, between the **CITY OF HILLIARD, OHIO** (the "City"), a municipal corporation, having an address for purposes hereof at 3800 Municipal Way, Hilliard, Ohio 43026, and **COLUMBUS CAMPUS, LLC** (the "Developer"), a Maryland limited liability company, having an address for purposes hereof at 701 Maiden Choice Lane, Baltimore, Maryland 21228 (Terms used herein without definition shall have the meanings for such terms as set forth in the Service Payment Agreement, as defined below).

### WITNESSETH:

WHEREAS, the City and the Developer have previously entered into a Service Payment Agreement (the "Service Payment Agreement"), entered into as of June 12, 2007 and authorized by City Council for the City pursuant to Ordinance No. 07-23 (Amended), passed on March 26, 2007 and effective on April 26, 2007, which Service Payment Agreement provides, among other things, for the payment by the Developer (or other owner of the TIF Site) of Service Payments and use of such Service Payments to fund the costs of certain Public Improvements; and

WHEREAS, the parties have determined that it is necessary to amend the Service Payment Agreement as provided in this Amendment so that the Developer will continue to work on the preliminary work on the Development and not abandon the Development prior to January 31, 2008, which is the current date upon which the Service Payment Agreement becomes null and void unless certain conditions described in the Service Payment Agreement are satisfied; and

NOW, THEREFORE, in consideration of the premises and the mutual covenants hereinafter contained, the City and the Developer, covenant, agree, and bind themselves as follows:

Section 1. Amendment of Definitions of "Obligee" and "School Compensation Agreement." The definitions of "Obligee" and "School Compensation Agreement" in Section 1 of the Service Payment Agreement is hereby amended in its entirety to read as follows:

"Obligee" means the City, the Treasurer of the County, any governmental issuer of bonds to finance the Public Improvements, and the trustee acting for the benefit of the holders from time to time of such bonds.

"School Compensation Agreement" means the Compensation Agreement between the City and the School District, dated June 15, 2007, as the same may be amended from time to time.

Section 2. Amendment of Section 2 of the Service Payment Agreement Section 2 of the Service Payment Agreement is hereby amended in its entirety to read as follows:

SECTION 2. DEVELOPMENT. The parties intend that, in the event (a) that this Agreement becomes effective in the manner provided in Section 12 hereof and (b) Britton Parkway is constructed such that the Developer has received its first occupancy permit as required under the Ansmil PUD Development Text dated March 28, 2007, approved by the Hilliard City Council (a

copy of which is in the office of the Clerk of Council), upon full build-out of the TIF Site (which the Developer intends will be completed by the end of 2017) and based upon an appraisal by the County Auditor, the true value (presently identified as "Market Total Value" on the records of the County Auditor) of the TIF Site (as determined by the County Auditor and referred to herein as the "True Value") will be at least One Hundred Forty Million Dollars (\$140,000,000) (the "Minimum Value"). The Developer hereby agrees (and by the recording of this instrument, each Owner also agrees) not to contest the amount or validity of any taxes, assessments or other charges (including but not limited to seeking a reduction in the valuation of the TIF Site) in a manner that will cause the True Value of the TIF Site to be less than the Minimum Value.

Section 3. Amendment to Section 4 of the Service Payment Agreement. Section 4 of the Service Payment Agreement is hereby amended in its entirety to read as follows:

**SECTION 4. TAX EXEMPTION: OBLIGATION TO MAKE SERVICE PAYMENTS.**

Pursuant to the TIF Act and the TIF Ordinance, the City has declared that 100% of the Improvements to the TIF Site are a public purpose entitled to exemption from real property taxation for the Exemption Period. During the term of this Service Payment Agreement, the Service Payments to be made by the Owners will equal the real property taxes that would have been payable with respect to 100% of the Improvements to the TIF Site had such exemption not been granted, which Service Payments will vary from time to time, including as the assessed value of the real property comprising the TIF Site (and of the Improvements) and the applicable tax rates vary. Each of the Owners shall pay the Service Payments, when due, on each applicable Service Payment Date until termination or expiration of this Service Payment Agreement.

In the event that any Service Payment or any installment thereof, is not paid when due by any Owner on any Service Payment Date, to the extent that the County does not impose a late fee or delinquency charge, the City may impose and collect a late payment charge, payable to the City, in the amount of the charges for late payment of real property taxes, including penalty and interest, which would have been paid pursuant to O.R.C. Section 323.121 on the delinquent amount.

No Owner shall, under any circumstances, be required to pay both real property taxes with respect to an Improvement and Service Payments for any tax year with respect to that Improvement, whether pursuant to O.R.C. Section 5709.42, the TIF Ordinance, this Agreement or any other applicable law.

Section 4. Amendment of Section 5 of the Service Payment Agreement Section 5 of the Service Payment Agreement is hereby amended in its entirety to read as follows:

**SECTION 5. DEPOSITS OF SERVICE PAYMENTS.** Upon receipt by the City from the County, the Service Payments shall be deposited into the TIF Fund and credited to the following Accounts in the priority set forth below:

FIRST: The portion of the Service Payment, representing the Initial School Payment, as defined, calculated and provided in accordance with the terms of the School Compensation Agreement, shall be credited to the School District Account; and

SECOND: A portion of the Service Payment representing that amount required to pay the principal, interest, and related costs, fees and expenses of the bonds or other obligations

issued to finance the Public Improvements, including the funding of any reserves for such bonds, due in that year, shall be credited to the Special Account; and

THIRD: That portion of the Service Payment remaining after the deposits required in FIRST and SECOND above shall constitute Excess Service Payments and be credited to the Excess Account.

Amounts credited to the Special Account shall constitute Assigned Service Payments that shall be assigned to the Authority or the trustee for any obligations issued by the Authority to finance the Public Improvements or for any obligations issued to refund such obligations to provide for and to secure the repayment of such obligations or refunding obligations. The Mayor and the Director of Law, alone or together may, without further authorization of Council, execute such agreements or instruments as may be reasonably necessary or appropriate to effect or evidence such assignment and to assure, to the extent the City is legally able to assure, the exemption of the Improvements from real property taxation during the Exemption Period.

Excess Service Payments shall be used first to be deposited to the Special Account to pay debt service or other charges on the obligations issued to finance the Public Improvements or to refund such obligations to the extent required, (b) to make any Supplemental School Payments (as defined in the School Compensation Agreement) required to be made under the School Compensation Agreement, and (c) after December 15 of each year, any unused Excess Service Payments may then be used by the City for such purposes authorized by the TIF Act and the TIF Ordinance.

The trustee for any obligations issued by the Authority to finance the Public Improvements or any obligations issued to refund such obligations, on behalf of the holders of such obligations, and the Authority, shall be deemed to be third party beneficiaries of this Agreement, so long as such obligations are outstanding.

Section 5. Amendment of Section 6 of the Service Payment Agreement Section 6 of the Service Payment Agreement is hereby amended in its entirety to read as follows:

SECTION 6. APPLICATION OF IMPACT FEES. In accordance with Chapter 1187 of the City Code, the Developer is required to pay development impact fees in the amount of \$1,500 per independent living unit developed on the TIF Site (the "Impact Fees"). The City agrees, for the first ten years that this Agreement is in effect, to deposit the Impact Fees received with respect to the TIF Site into the Special Account or such other fund provided in the trust agreement or indenture executed in connection with the issuance of the bonds (or other obligations) issued by the Authority to finance the Public Improvements and that such amounts will be available during such ten-year period to pay the debt service charges on (including the funding of reserves for) such bonds (or other obligations). At the end of such ten-year period, any Impact Fees that have not been used to pay debt service charges on (including the funding of reserves for) the bonds (or other obligations) issued to finance the Public Improvements shall be released from the lien of the trust agreement or indenture and shall be transferred to the City and used for any lawful purpose.

Section 6. Amendment of Section 8 of the Service Payment Agreement Section 8 of the Service Payment Agreement is hereby amended in its entirety to read as follows:



SECTION 8. BINDING NATURE OF OBLIGATIONS; SECURITY FOR PAYMENT.

Anything herein to the contrary notwithstanding, upon the effective date of this Agreement, the Owners' obligation hereunder to pay Service Payments and to perform and observe any other agreements on their part contained herein (but expressly subject to Section 2 hereof), shall be absolute and unconditional and shall be covenants running with the land and shall be binding and enforceable by the City, the School District to the extent provided in this Agreement, the trustee acting for the benefit of the holders from time to time of any bonds issued to finance the Public Improvements, and, subject to the terms of the trust agreement entered into with respect to such bonds, the holders of such bonds, against the Owners, as applicable, but only to the extent of the respective Owners' obligations and only with respect to its or their interest in the TIF Site and the Improvements, or any part thereof or any interest therein. Each Owner's obligation to pay the Service Payments shall be secured by a lien on its interest in the TIF Site and the Improvements, as provided by law and described in Section 15.

Subject to the provisions of Section 2 hereof, the obligations of the Owners will not be terminated for any cause including, without limiting the generality of the foregoing, but by way of example, delay in completion of or failure to complete the Improvements or any other improvements included in the Development, the Infrastructure Improvements or any other obligation of the City or the Developer hereunder; any acts or circumstances that may constitute failure of consideration, destruction of or damage to the Development or the Infrastructure Improvements; commercial frustration of purpose; any change in the constitution, tax or other laws or judicial decisions or administrative rulings of or administrative actions by or under authority of the United States of America or of the State or any political subdivision thereof. Except as may be expressly provided herein, nothing contained in this Service Payment Agreement shall be construed to release any Owner from the performance of any of the agreements or obligations on its part contained in this Service Payment Agreement.

Section 7. Amendment of Section 9 of the Service Payment Agreement Section 9 of the Service Payment Agreement is hereby amended in its entirety to read as follows:

SECTION 9. PAYMENT OF TAXES; CONTESTS. Each Owner shall pay, cause, or require to be paid, as the same become due, all taxes, assessments, whether general or special, and governmental charges of any kind whatsoever that may at any time be lawfully assessed or levied against or with respect to the TIF Site (except as otherwise provided herein) or any personal property or fixtures installed or brought therein or thereon (including, without limiting the generality of the foregoing, and by way of example, any taxes levied against a Owner with respect to the receipts, income or profits from leasing or subleasing space within the Improvements, which, if not paid, may become or be made a lien on all or any portion of the TIF Site) and all utility and other charges incurred in the operation, maintenance, use, occupancy and upkeep of the TIF Site. Notwithstanding the foregoing, nothing herein is intended to prevent any Owner (or a successor, assign or transferee), at its expense and in good faith from contesting the amount or validity of any taxes, assessments or other charges (including but not limited to seeking a reduction in the valuation of the TIF Site), and the only recourse of the City to enforce the payment of those items will be to the TIF Site, and the interest or interests of the respective Owner therein; provided, however, that while this Agreement remains in effect, no Owner shall contest the amount or validity of any taxes, assessments or other charges (including but not limited to seeking a reduction in the valuation of the TIF Site) in such a way as would cause the True Value of the TIF Site to be less than the Minimum Value, but only if the Public Improvements are constructed as provided herein. Nothing in this Service Payment Agreement

shall require an Owner or any other person to pay or reimburse for payment of any Federal, State or local tax of any kind or character (whether based on gross or net income, gross receipts or otherwise) which is imposed or levied on the City, or any other entity, on funds held by the trustee for bonds issued to finance the Public Improvements or by a depository of the City, or on the holders of such bonds or any other Obligations.

Section 8. Amendment of Section 12 of the Service Payment Agreement Section 12 of the Service Payment Agreement is hereby amended in its entirety to read as follows:

SECTION 12. EFFECTIVE DATE; DURATION OF AGREEMENT. This Service Payment Agreement shall become effective on the date that the Developer (a) has acquired fee simple title to the TIF Site and (b) has delivered written notice to the City that the Developer intends to proceed with the Development. If the conditions set forth in (a) and (b) above are not satisfied by July 31, 2008, then this Agreement shall be null and void. Unless sooner terminated, this Agreement shall expire at the end of the Exemption Period; provided, however, that the covenant of the Developer (which is binding on any Owner) not to contest the amount or validity of any taxes, assessments or other charges (including but not limited to seeking a reduction in the valuation of the TIF Site) in such a way as would cause the True Value of the TIF Site to be less than the Minimum Value (subject to the conditions set forth in Section 2 and Section 9 hereof) shall survive the termination or expiration of this Agreement and remain in effect for 30 years from the effective date of this Agreement. Upon expiration or termination of this Agreement, the City will cause this Service Payment Agreement to be cancelled of record.

Section 9. Amendment of Section 15 of the Service Payment Agreement Section 15 of the Service Payment Agreement is hereby amended in its entirety to read as follows:

SECTION 15. ENFORCEMENT; FORECLOSURE OF LIEN. The provisions of this Service Payment Agreement may be enforced to the fullest extent permitted by law, by the City and the Treasurer of the County of Franklin (Ohio) and, with respect to the obligations of the Developer and the other Owners, to the fullest extent permitted by law, by the School District to the extent provided in this Agreement, and to the extent applicable, any of the Obligees. It is the intention and agreement of the Developer, as an Owner, that this Service Payment Agreement and the covenants herein made shall be specifically enforceable by the City, by the School District to the extent provided in this Agreement, and by each of the Obligees against the Owners, by mandatory injunction or any other remedy at law or in equity, subject to Sections 8 and 12 hereof. It is the further intention and agreement of the Developer, as an Owner, that this Service Payment Agreement shall constitute and be deemed to be a lien encumbering and running with the real property comprising the TIF Site to secure the obligations of the Owners to make Service Payments (and, if applicable, pay interest and penalties), intended to have the same lien rights as real estate taxes and the same priority in accordance with O.R.C. §§323.11 and 5709.91. In furtherance of the foregoing, it is the intention of the Developer, as an Owner, that the City or the Obligees may, upon the occurrence of an event of default set forth in Section 14 hereof, and without limiting any other right or remedy otherwise available to the City, the School District or any such Obligee, take all such steps as may be legally available to it to foreclose upon such lien pursuant to the procedures and requirements of Ohio law relating to either mortgage liens or delinquent real estate taxes; provided that nothing contained in this Agreement shall be deemed to authorize any acceleration of Service Payments due in future years. The provisions of this Section shall encumber and run with the real property comprising the TIF Site.

Notwithstanding anything in this Agreement to the contrary, the School District's rights as third party beneficiary hereunder shall be effective only during the term of the Exemption Period.

Section 10. Continued Effectiveness of Service Payment Agreement. The Service Payment Agreement, as amended by this Amendment, shall remain in full force and effect in accordance with its terms.

Section 11. Counterparts; Captions. This Amendment may be executed in counterpart, and in several counterparts, each of which shall be regarded as an original and all of which shall constitute but one and the same agreement. Captions have been provided herein for convenience only and shall not affect the construction or interpretation of this Amendment.

Section 12. No City Expenditures. Nothing contained in this Amendment shall be construed to require the City to expend funds in connection with the performance of this Amendment in the 2007 fiscal year.

The parties have caused this Amendment to be executed by their duly authorized officers, effective as of the date and under the conditions provided herein.

DEVELOPER:

COLUMBUS CAMPUS, LLC

By: Erickson Retirement Communities LLC,  
Member

By:

Gerald F. Doherty  
Executive Vice President,  
General Counsel and Secretary

THE CITY OF HILLIARD, OHIO

By: \_\_\_\_\_

Its: \_\_\_\_\_

Print Name: \_\_\_\_\_

Approved as to form:

\_\_\_\_\_  
Pamela A. DeDent, Director of Law  
City of Hilliard

Notwithstanding anything in this Agreement to the contrary, the School District's rights as third party beneficiary hereunder shall be effective only during the term of the Exemption Period.

Section 10. Continued Effectiveness of Service Payment Agreement. The Service Payment Agreement, as amended by this Amendment, shall remain in full force and effect in accordance with its terms.

Section 11. Counterparts; Captions. This Amendment may be executed in counterpart, and in several counterparts, each of which shall be regarded as an original and all of which shall constitute but one and the same agreement. Captions have been provided herein for convenience only and shall not affect the construction or interpretation of this Amendment.

Section 12. No City Expenditures. Nothing contained in this Amendment shall be construed to require the City to expend funds in connection with the performance of this Amendment in the 2007 fiscal year.

The parties have caused this Amendment to be executed by their duly authorized officers, effective as of the date and under the conditions provided herein.

DEVELOPER:

COLUMBUS CAMPUS, LLC

By: Erickson Retirement Communities, LLC,  
Member

By: \_\_\_\_\_

Gerald F. Doherty  
Executive Vice President,  
General Counsel and Secretary

THE CITY OF HILLIARD, OHIO


By: \_\_\_\_\_

Its: \_\_\_\_\_

Print Name: \_\_\_\_\_


Donald J. Schonhardt  
Mayor  
Donald J. Schonhardt

Approved as to form:

  
Pamela A. DeDent, Director of Law  
City of Hilliard

STATE OF OHIO  
COUNTY OF FRANKLIN

The foregoing Amendment to Service Payment Agreement was signed before me on February 13, 2008 by Donald J. Schonhardt, as Mayor of the City of Hilliard, an Ohio municipal corporation, who acknowledged the signing thereof to be his voluntary act and deed, on behalf of the municipal corporation.

  
Notary Public



PAMELA A DeDENT  
Attorney At Law  
Notary Public, State of Ohio  
My commission has no expiration date  
Sec. 147.03 R.C.

STATE OF MARYLAND

:

SS

:

COUNTY OF BALTIMORE

:

The foregoing instrument was acknowledged before me on the 21<sup>st</sup> day of February, 2008, by Gerald F. Doherty, Executive Vice President, General Counsel, and Secretary of Erickson Retirement Communities, LLC, the sole member of Columbus Campus, LLC, a Maryland limited liability company, on behalf of the limited liability company.

  
\_\_\_\_\_  
NOTARY PUBLIC

Commission expiration date:

7/11/11

This Instrument Prepared By: Price D. Finley, Esq., Bricker & Eckler LLP,  
100 South Third Street, Columbus, Ohio 43215



Don Schonhardt, Mayor

# City of Hilliard

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3800 Municipal Way • Hilliard, Ohio 43026-1696 • Municipal Offices (614) 876-7361

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February 22, 2010

**VIA OVERNIGHT SERVICE**

BMC Group, Inc.  
Attn: Erickson Retirement Communities, LLC  
Claims Processing  
18750 Lake Drive East  
Chanhassen, MN 55317

Subject: Case No. 09-37019 – Proof of Claim (City of Hilliard, Ohio as Creditor)

To Whom It May Concern:

Enclosed are the Proof of Claim forms for the above captioned case filed in the Northern District of Texas (Dallas Division) on behalf of Columbus Campus LLC as debtor. Attached to the Proof of Claim form are tax information forms and certain City of Hilliard legislation that documents (i) the creation of a Tax Increment Financing district within which the debtor's property is located and (ii) the Service Payment Agreement that provides for Payments in Lieu of Taxes to be paid to the City.

If you have any questions, please contact me at (614) 334-2430.

Best regards,

Pamela A. Fox  
Director of Law