

**PROFIT SHARING AGREEMENT**

This Profit Sharing Agreement, dated October 19, 2017 (this “Agreement”), is made by and between Howard County, Maryland, a body corporate and politic and a political subdivision of the State of Maryland (the “County”) and The Howard Research And Development Corporation, a Maryland corporation (the “Developer”) for the purposes of establishing the terms of the County’s right of financial participation associated with development within Phase I (hereinafter defined) of the Downtown Columbia Development District located in Columbia, Maryland (the “Development District”), as more particularly defined herein.

**RECITALS**

1. In connection with the approval of the Legislation (hereinafter defined), the County and the Developer entered into a Downtown Development Memorandum of Understanding dated November 9, 2016 (the “MOU”).

2. Pursuant to Section VIII of the MOU, the County and the Developer agreed that the Developer is entitled to receive a reasonable profit from the development and operation of Phase I (“HRD Development Activity”).

3. The County and the Developer have determined that a reasonable profit from the HRD Development Activity is equal to all Net Cash Flow (hereinafter defined) from Phase I until such time as the net present value of all Net Cash Flow to the Developer, in combination with all Affiliates, is equal to zero when utilizing an annualized discount rate of eleven percent (11.0%), calculated on an unleveraged basis (the “Reasonable Profit”), determined as more fully explained herein.

4. The County is entitled to a percentage of any profits from the HRD Development Activity in excess of the Reasonable Profit as provided herein.

5. The methodology for determining the County's share of Net Cash Flow under this Agreement is explained herein and an example is set forth in Exhibit B. The numbers used in Exhibit B are not intended to be actual numbers but are intended for illustrative purposes only.

6. The County and the Developer agree to the following terms and conditions.

NOW, THEREFORE, in consideration of the mutual promises and covenants set forth herein, and for other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the County and the Developer agree as follows:

## ARTICLE I

### DEFINITION OF TERMS

"Affiliate" means an entity which has an ownership interest in the Developer or an entity in which the Developer has a direct ownership interest, and which entity has a direct or indirect ownership interest in a Parcel, including a direct or indirect ownership interest in an entity that at some future date acquires an ownership interest in a Parcel. Affiliates presently include: Crescent Area 1-A Holdings, LLC, Crescent 1-B Holdings, LLC and Crescent Area 1 – Parking Deck 1, LLC. It is the parties' intention to capture only the Developer's interest in the entities affiliated with the HRD Development Activity in the definition of Affiliates.

"Crescent Special Taxing District" means the special taxing district established under Resolution No. 105-2016.

"Developer" means The Howard Research And Development Corporation.

"Development District" means the Downtown Columbia Development District established under Resolution No. 105-2016.

"GAAP" means Generally Accepted Accounting Principles, where applicable.

"Funding Agreement" means the Funding Agreement by and between the County and the Developer dated as of October 18, 2017.

“Indenture” shall have the meaning set forth in the Funding Agreement.

“Internal Rate of Return” means the annualized discount rate that makes the net present value of all Net Cash Flow equal to zero. The Internal Rate of Return shall be calculated on an unleveraged basis.

“Legislation” means Resolution No. 105-2016 and Council Bill No. 56-2016.

“Net Cash Flow” shall be determined on a pre-tax basis and means, for the annual periods in question, the amount, if any, by which the Total Revenue exceeds the Total Expenditures.

“Parcel” means each of the subdivided lots of Phase I. It is anticipated that Phase I will be comprised of separate parcels owned by Developer or any Affiliate which are slated for private mixed-use development.

“Parcel Sale” means any of the Developer-owned or Affiliate-owned parcels within the Development District that are sold or transferred or any sale or transfer of an interest in the Developer or Affiliate owner of such Parcel to a non-Affiliate entity.

“Phase I” means (i) in Area One of the Crescent Special Taxing District, two office buildings known as Area One Office A (1OA) and Area One Office B (1OB), and related parking deck, and (ii) in Area Three of the Crescent Special Taxing District, two multifamily buildings known as Area Three Multifamily B (3MFB) and Area Three Multifamily C (3MFC), two office buildings known as Area Three Office (3OA) and Area Three Office (3OB), and a retail development known as Area Three Retail E (3RE).

“Public Improvements” means the public improvements described in Exhibit A attached hereto.

“Reasonable Overhead” means five percent (5.0%) of Total Expenditures, excluding land acquisition costs.

“Special Taxes” means any special taxes levied within the Crescent Special Taxing District related to Phase I paid by the Developer or any Affiliate.

“TIF Bonds” means the Howard County, Maryland Special Obligation Bonds (Downtown Columbia Project) Series 2017 A and Series 2018 A and any other bonds issued pursuant to Council Bill 56-2016.

“TIF Term” shall have the meaning given to that term in Article II, Section A.1.

“Total Expenditures” means for each calculation period prepared annually during the TIF Term, as provided herein, all verified costs, incurred by the Developer or any Affiliate relating to the acquisition, development, construction, reconstruction, operation and sale of Parcels or any part thereof, excluding (i) costs reimbursed by TIF Bonds, (ii) financing costs related to the Public Improvements and the HRD Development Activity, and (iii) costs associated with the administration of the Development District and the Crescent Special Taxing District related to Phase I. Total Expenditures shall include any Special Taxes related to Phase I and other property taxes related to Phase I. Total Expenditures shall not include any (i) central office overhead, or (ii) Developer’s staff/management expenses, but shall include the Reasonable Overhead.

“Total Revenue” means for each calculation period prepared annually during the TIF Term, as provided herein, all revenues, including casualty insurance and condemnation proceeds, received by the Developer or any Affiliate from the HRD Development Activity for Phase I, excluding proceeds from financing, net proceeds of the TIF Bonds, and transfer of interests among the Developer and Affiliates. Any Total Revenue shall only be counted once on the date it is first received by either the Developer or an Affiliate. For example, if an Affiliate receives revenue from HRD Development Activity for Phase I and distributes that money to the Developer, such revenue shall only be counted toward Total Revenue on the date it is received by the Affiliate.

ARTICLE II  
PROFIT SHARING

A. Calculation of the County's Share of Net Cash Flow

1. From and after the date of this Agreement through the date on which all TIF Bonds have been paid, redeemed or defeased in their entirety (the "TIF Term"), the County agrees that the Developer and all Affiliates shall be entitled to all Net Cash Flow from Phase I until such time as the Developer, in combination with all Affiliates, has achieved an Internal Rate of Return of eleven percent (11.0%), with the excess Net Cash Flow over the Internal Rate of Return of eleven percent (11.0%), if any, being shared by the Developer and the County, payable as provided in Section 2(b) below. Any excess Net Cash Flow over the Internal Rate of Return of eleven percent (11.0%) shall be shared by the Developer and the County on a pro rata basis, as follows:

$$A = B \div C$$

For this calculation, the terms have the following meanings: (a) "A" is equal to the County's share of the excess Net Cash Flow; (b) "B" is equal to the TIF Bonds issued by the County; and (c) "C" is equal to the "Capitalized Costs," which means the (i) Total Expenditures plus TIF Bond proceeds, less (ii) Total Revenue, both calculated through the Stabilization of Rent for any building. "Stabilization of Rent" means the earlier of (a) 90% of leaseable space in a building being occupied and (b) three (3) years after the start of construction for a building. See Exhibit B attached hereto for an example calculation. Total Revenue and Total Expenditures shall be reported in accordance with this Agreement. The obligation of the Developer to pay any Net Cash Flow to the County shall terminate upon the termination or expiration of the TIF Term.

2. Reporting Requirements and Time for Payment of Net Cash Flow

(a) The Developer must provide the County with audited financial statements prepared by an independent certified public accountant related to the HRD Development Activity for Phase I attested to by the Developer within one hundred eighty (180) days after each fiscal year-end for the Developer and any Affiliate, but only if audited financial statements are available; otherwise, unaudited financial statements, attested to by the Developer, must be provided within such 180-day period and audited financial statements shall be provided promptly if they become available after such 180-day period. Such financial statements may be provided to the County subject to the non-disclosure requirements of the Maryland Public Information Act (the "MPIA"), Title 4 of the General Provisions Article of the Annotated Code of Maryland, and those requirements may be, in the County's discretion, memorialized in non-disclosure agreements entered into between the County and the Developer from time to time, to the extent any such non-disclosure agreement is permitted by applicable law. The annual financial statements shall provide a detailed report of all calculations required under this Agreement for the HRD Development Activity for Phase I on a cumulative basis. With regard to Affiliates, Developer is only obligated to provide financial statements relating to the HRD Development Activity for Phase I. The Developer's obligations under this Agreement to provide the County financial statements shall cease with the expiration of the TIF Term.

(b) Until the termination or expiration of the TIF Term, the County's share of Net Cash Flow under this Agreement due at that time shall be paid on the earlier of (i) five (5) years after closing on the TIF Bonds and, thereafter, any further payments of the County's share of Net Cash Flow shall be paid each year within one hundred eighty (180) days of the fiscal year-end or (ii) within one hundred eighty (180) days of the fiscal year-end

following the sale of the last Parcel. All payments are to be made payable to Howard County, Director of Finance (the "Director of Finance").

(c) The County may at any time but not more frequently than once a year, and after providing fifteen (15) days written notice to the Developer, inspect, copy and audit, at the County's expense, all financial records of the Developer and Affiliates, but only financial records relating to HRD Development Activity for Phase I for the current operating year and prior seven (7) years. Additionally, Developer agrees to maintain related financial records for a period of the greater of (i) seven (7) years or (ii) the time period required by any legal or auditing requirements that would otherwise apply to such records. Notwithstanding the previous sentence, the Developer shall maintain all financial records related to all prior and future Developer or Affiliate acquisitions, purchases and sales of real property in the Development District during the TIF Term.

(d) If the County's audit discloses that the County's share of Net Cash Flow stated in the financial statement was underpaid, the Developer shall pay any additional amount due to the County within sixty (60) days of the receipt of the audit. If the County's audit discloses that the County's share of Net Cash Flow stated in the financial statements was overpaid, the County shall pay the amount of the overpayment to the Developer within sixty (60) days of the receipt of the audit.

(e) The Developer may contest the County's audit results by giving the County notice within thirty (30) days of the receipt of the audit. Payment of the amount in dispute will be suspended until the issue is resolved as set forth below. If the Developer and the County cannot mutually resolve the dispute within thirty (30) days of the County's receipt of the notice of protest, the Developer and the County shall jointly choose an independent certified public accountant whose determination shall be binding upon the County and Developer. The

County and Developer shall each bear their own costs, but shall split equally the cost of the independent certified public accountant.

(f) The County cannot require an appraisal in connection with any annual measurement of the Internal Rate of Return under this Section A.

B. Parcel Sales. The revenue achieved from Parcel Sales shall be included in Total Revenue as and when the funds are received by the Developer or an Affiliate.

C. Estoppel Certificates. The County shall execute and provide to the Developer such estoppel certificates and subordination agreements as may be reasonably required from time to time in connection with the HRD Development Activity, including those as may be required by any lender for HRD Development Activity. The Director of Finance shall have the authority to issue such estoppel certificates. The County shall not have the right to control any sale, financing or the operation of the HRD Development Activity, other than as provided for in this Agreement or the Funding Agreement.

### ARTICLE III

#### EVENTS OF DEFAULT AND REMEDIES

A. Events of Default. The following shall be “Events of Default” under this Agreement, and the term “Event of Default” means, whenever used in this Agreement, any one or more of the following events:

1. Failure by the Developer to pay when due any payment required to be paid under Article II, and such default is not rectified, within thirty (30) days after written notice thereof from the County to the Developer; provided however, should any dispute arise between the County and the Developer as to any amount due to the County hereunder, so long as such dispute is raised in good faith by either party, the pendency of such dispute shall extend the period for performance as to any disputed items until after resolution of such dispute but in no



event longer than six (6) months unless the resolution is dependent upon an administrative or court process in which event the period for performance shall be extended; or

2. Failure by the Developer to perform, observe, or comply with any other of the terms, covenants, conditions, or provisions contained in this Agreement which failure shall continue for a period of thirty (30) days after written notice thereof shall have been given to the Developer by the County.

B. Remedies. If an Event of Default occurs:

1. The County shall be entitled to the benefit of any remedies available to it in law or in equity on account of the Event of Default, including suit for specific performance, injunctive relief, or damages, with or without terminating this Agreement.

2. Remedies Cumulative. All rights remedies, powers, and privileges herein given or granted to the County are cumulative, non-exclusive, and in addition to any and all rights, remedies, powers, and privileges that the County may have or be given by reason of any law, statute, ordinance, or otherwise, at law or in equity, except as otherwise provided herein.

#### ARTICLE IV

##### MISCELLANEOUS

A. Third Party Beneficiary. Nothing contained in this Agreement shall be construed to confer upon any other party the rights of a third party beneficiary.

B. Disclaimer of Partnership Status. Nothing in the provisions of this Agreement shall be deemed in any way to create between the Developer or any Affiliate and the County any relationship of partnership, joint venture, or association and the parties to this Agreement hereby disclaim the existence of any such relationship.

C. Giving of Notice. Except as otherwise provided herein, all notices required to be given or authorized to be given pursuant to this Agreement shall be in writing and shall be delivered or sent by registered or certified mail, postage prepaid, or by commercial messenger to:

In the case of the County:

Howard County, Maryland  
George Howard Building  
3430 Courthouse Drive  
Ellicott City, Maryland 21043  
Attention: Director of Finance

With a copy to:

Howard County Office of Law  
Carroll Building  
3450 Courthouse Drive  
Ellicott City, Maryland 21043  
Attention: County Solicitor

In the case of the Developer:

The Howard Research And Development Corporation  
One Galleria Tower, 22<sup>nd</sup> Floor  
13355 Noel Road  
Dallas, Texas 75240  
Attention: General Counsel

With a copy to:

The Howard Research And Development Corporation  
One Galleria Tower, 22<sup>nd</sup> Floor  
13355 Noel Road  
Dallas, Texas 75240  
Attention: President

The County and the Developer, by notice given hereunder, may designate any further or different persons or addresses to which subsequent notices shall be sent.

D. Representatives Not Individually Liable. No member, official, representative, or employee of the County shall be personally liable to the Developer or its successors in interest in the event of any default or breach by the County for any amount which may become due to the

Developer or its successors or on any obligations under the terms of the Agreement. No member, partner, director, representative, employee or agent of the Developer or its affiliates or successors in interest shall be personally liable to the County or any agency thereof in the event of any default or breach by the Developer for any amount which may become due to the County on any obligations under the terms of this Agreement unless such person is guilty of fraud.

E. Amendment of Agreement. Any amendment to this Agreement must be by the mutual written agreement of the County and the Developer with the same formality as this Agreement, provided that consents, waivers and modifications of a non-substantive nature may be negotiated and granted by action of the Director of Finance.

F. Payment or Performance on Saturday, Sunday, or Holiday. Whenever the provisions of this Agreement call for any payment or the performance of any act on, or by a date that is not a business day, including the expiration date of any cure periods provided herein, then such payment or such performance shall be required on or by the immediately succeeding business day.

G. Section and Paragraph Headings. The section and paragraph headings have been prepared for convenience only and are not part of this Agreement and shall not be taken as an interpretation of any provision of this Agreement.

H. Severability. If any clause provision or section of this Agreement be held illegal or invalid by any court, the invalidity of such clause, provision, or section shall not affect any of the remaining clauses, provisions, or sections hereof, and this Agreement shall be construed and enforced as if such illegal or invalid clause, provision, or section had not been contained herein. If any agreement or obligation contained in this Agreement be held to be in violation of law, then such agreement or obligation shall be determined to be the agreement or obligation of the County and the Developer, as the case may be, to the full extent by law.

I. Maryland Law. The laws of the State of Maryland shall govern the construction of this Agreement.

J. Binding Effect and Assignment. This Agreement shall be binding upon and inure to the benefit of the Developer, and any assignee, successor, or transferee of Developer's interest in all or any portion of Phase I, except for the purchaser of a Parcel (by sale, foreclosure, or deed in lieu thereof), which purchaser shall not be subject to this Agreement.

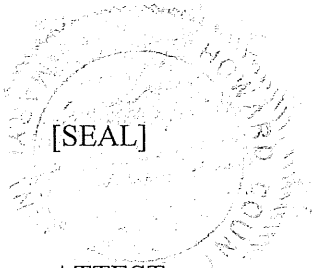
K. Entire Agreement. This Agreement sets forth the entire understanding and agreement of the parties with respect to the subject matter hereunder and supersedes any other prior agreements or understanding, written or oral, between the parties with respect to the subject matter thereof.

L. Recitals. The Recitals are hereby incorporated and made a part of this Agreement.

M. Non-Recordation. This Agreement shall not be recorded.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed, sealed, and delivered as of the date set forth above.

**[SIGNATURES APPEAR ON THE FOLLOWING PAGE.]**



ATTEST:

HOWARD COUNTY, MARYLAND

Lonnie R. Robbins  
Chief Administrative Officer

By:

Allan H. Kittleman  
County Executive

APPROVED FOR SUFFICIENCY OF FUNDS:

Stanley J. Milesky  
Director of Finance

APPROVED AS TO FORM AND  
LEGAL SUFFICIENCY THIS  
16<sup>th</sup> DAY OF OCTOBER, 2017.

Gary W. Kuc  
County Solicitor

Reviewing Attorney:

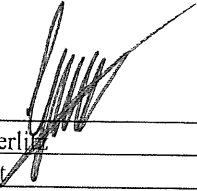
Kristen Perry  
Assistant County Solicitor

*[County Signature Page to Profit Sharing Agreement]*

WITNESS:

**THE HOWARD RESEARCH AND  
DEVELOPMENT CORPORATION,**  
a Maryland corporation

Marissa Henderson

By:  \_\_\_\_\_ (SEAL)  
Name: Grant Herlihy  
Title: President

*[Developer Signature Page to Profit Sharing Agreement]*

Description of Public Improvements

**Roads Segment 1A**

Merriweather Drive, Divided Sky Lane  
Road segment 1A SW piping, treatment & storage  
Road segment 1A water & sewer

**Roads Segment 1B**

Merriweather Drive, Hickory Ridge Road  
Road segment 1B SW piping, treatment & storage  
Road segment 1B water & sewer

**At-grade intersection improvements (multiple intersections)**

Little Patuxent Parkway/Merriweather Drive  
Governor Warfield Parkway/Twin Rivers Road  
Little Patuxent Parkway/Swift Stream  
Broken Land Parkway/Twin Rivers Road

**Roads Segment 2A**

Completion of Merriweather Drive, South section of North-South Connector  
Road segment 2A SW piping, treatment & storage  
Road segment 2A water & sewer

**Roads Segment 2B**

North section of North-South Connector (Symphony Woods Rd.)  
Road segment 2B SW piping, treatment & storage  
Road segment 2B water & sewer

**Road segment 3 (Area 3 internal roads) – public roads only**

**Road segment 4 (Jug Handle and N-S Connector)**

**EMT Rapid Fire Station**

Example Calculation



**Columbia Town Center - Phase I**  
**Exhibit B to Look Back Agreement**  
**Example of Calculation of Look Back Payment to County**

Year:	1	2	3	4	5	6	7	8
<b>Total Expenditures:</b>								
Acquisition, development and construction (excludes overhead, except Reasonable Overhead, and financing costs):								
Building 1OA	50,000,000							
Building 1OB	50,000,000							
Building 3MFB			100,000,000					
Building 3MFC				100,000,000				
Building 3OA		100,000,000						
Building 3OB			100,000,000					
Building 3RE			10,000,000					
Infrastructure	45,000,000	30,000,000	15,000,000					
Reasonable OH	5,000,000	5,000,000	10,500,000	5,000,000				
Less: TIF proceeds	(30,000,000)	(20,000,000)	(11,000,000)					
<b>Total acquisition, development and construction</b>	<b>120,000,000</b>	<b>115,000,000</b>	<b>224,500,000</b>	<b>105,000,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Operating expenses (including property taxes and Reasonable Overhead)	0	1,500,000	3,075,000	6,378,750	8,197,688	8,607,572	9,037,950	9,309,089
Reconstruction and building improvements								
Special taxes			3,000,000	2,000,000	1,000,000			
Sales transaction costs	0	0	0	0	0	0	0	0
<b>Total expenditures</b>	<b>120,000,000</b>	<b>116,500,000</b>	<b>230,575,000</b>	<b>113,378,750</b>	<b>9,197,688</b>	<b>8,607,572</b>	<b>9,037,950</b>	<b>9,309,089</b>
<b>Total Revenues:</b>								
Rent and reimbursements		7,500,000	15,375,000	31,893,750	40,988,438	43,037,859	45,189,752	46,545,445
Casualty insurance proceeds								
Sales proceeds	0	0	0	0	0	0	0	0
<b>Total Revenues</b>	<b>0</b>	<b>7,500,000</b>	<b>15,375,000</b>	<b>31,893,750</b>	<b>40,988,438</b>	<b>43,037,859</b>	<b>45,189,752</b>	<b>46,545,445</b>
<b>Net Cash Flow</b>	<b>(120,000,000)</b>	<b>(109,000,000)</b>	<b>(215,200,000)</b>	<b>(81,485,000)</b>	<b>31,790,750</b>	<b>34,430,288</b>	<b>36,151,802</b>	<b>37,236,356</b>
IRR		NA	NA	NA	NA	-52.64%	-37.55%	-27.58%
Threshold IRR		11.00%	11.00%	11.00%	11.00%	11.00%	11.00%	11.00%
Cash flow over threshold		0	0	0	0	0	0	0
County's share of excess cash flow	13.11%	13.11%	13.11%	13.11%	13.11%	13.11%	13.11%	13.11%
<b>Look back payment to County</b>					<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Columbia Town Center - Phase I**  
**Exhibit B to Look Back Agreement**  
**Example of Calculation of Look Back Payment to County**

	Year:	9	10	11	12	13	14	15	16
<b><u>Total Expenditures:</u></b>									
Acquisition, development and construction (excludes overhead, except Reasonable Overhead, and financing costs):									
Building 1OA									
Building 1OB									
Building 3MFB									
Building 3MFC									
Building 3OA									
Building 3OB									
Building 3RE									
Infrastructure									
Reasonable OH									
Less: TIF proceeds									
<b>Total acquisition, development and construction</b>		0	0	0	0	0	0	0	0
Operating expenses (including property taxes and Reasonable Overhead)	9,588,362	9,876,013	10,172,293	10,477,462	10,791,786	11,115,539	11,449,005	11,792,475	
Reconstruction and building improvements			300,000	300,000	300,000	300,000	300,000	100,300,000	
Special taxes									
Sales transaction costs	0	0	0	0	0	0	0	0	0
<b>Total expenditures</b>	<b>9,588,362</b>	<b>9,876,013</b>	<b>10,172,293</b>	<b>10,477,462</b>	<b>10,791,786</b>	<b>11,115,539</b>	<b>11,449,005</b>	<b>11,792,475</b>	
<b><u>Total Revenues:</u></b>									
Rent and reimbursements	47,941,808	49,380,063	50,861,464	52,387,308	53,958,928	55,577,695	57,245,026	58,962,377	
Casualty insurance proceeds								100,000,000	
Sales proceeds	0	0	0	0	0	0	0	0	0
<b>Total Revenues</b>	<b>47,941,808</b>	<b>49,380,063</b>	<b>50,861,464</b>	<b>52,387,308</b>	<b>53,958,928</b>	<b>55,577,695</b>	<b>57,245,026</b>	<b>158,962,377</b>	
<b>Net Cash Flow</b>	<b>38,353,447</b>	<b>39,504,050</b>	<b>40,689,172</b>	<b>41,909,847</b>	<b>43,167,142</b>	<b>44,462,156</b>	<b>45,796,021</b>	<b>147,169,902</b>	
IRR	-20.56%	-15.40%	-11.47%	-8.42%	-5.98%	-4.01%	-2.40%	1.09%	
Threshold IRR	11.00%	11.00%	11.00%	11.00%	11.00%	11.00%	11.00%	11.00%	
Cash flow over threshold	0	0	0	0	0	0	0	0	0
County's share of excess cash flow	13.11%	13.11%	13.11%	13.11%	13.11%	13.11%	13.11%	13.11%	
<b>Look back payment to County</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	

**Columbia Town Center - Phase I**  
**Exhibit B to Look Back Agreement**  
**Example of Calculation of Look Back Payment to County**

	Year:	17	18	19	20	21	22	23	24	25
<b>Total Expenditures:</b>										
Acquisition, development and construction (excludes overhead, except Reasonable Overhead, and financing costs):										
Building 1OA										
Building 1OB										
Building 3MFB										
Building 3MFC										
Building 3OA										
Building 3OB										
Building 3RE										
Infrastructure										
Reasonable OH										
Less: TIF proceeds										
Total acquisition, development and construction		0	0	0	0	0	0	0	0	0
Operating expenses (including property taxes and Reasonable Overhead)	12,146,250	12,510,637	12,885,956	13,272,535	13,670,711	14,080,832	14,784,874	15,524,118	16,300,324	
Reconstruction and building improvements	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	
Special taxes										
Sales transaction costs	0	0	0	0	0	0	0	0	0	
<b>Total expenditures</b>	<b>12,146,250</b>	<b>12,510,637</b>	<b>12,885,956</b>	<b>13,272,535</b>	<b>13,670,711</b>	<b>14,080,832</b>	<b>14,784,874</b>	<b>15,524,118</b>	<b>16,300,324</b>	
<b>Total Revenues:</b>										
Rent and reimbursements	60,731,248	62,553,186	64,429,781	66,362,675	68,353,555	70,404,162	73,924,370	77,620,588	81,501,618	
Casualty insurance proceeds										
Sales proceeds	0	0	0	0	0	0	0	0	0	
<b>Total Revenues</b>	<b>60,731,248</b>	<b>62,553,186</b>	<b>64,429,781</b>	<b>66,362,675</b>	<b>68,353,555</b>	<b>70,404,162</b>	<b>73,924,370</b>	<b>77,620,588</b>	<b>81,501,618</b>	
Net Cash Flow	48,584,999	50,042,549	51,543,825	53,090,140	54,682,844	56,323,329	59,139,496	62,096,471	65,201,294	
IRR	1.90%	2.62%	3.25%	3.81%	4.30%	4.74%	5.14%	5.49%	5.82%	
Threshold IRR	11.00%	11.00%	11.00%	11.00%	11.00%	11.00%	11.00%	11.00%	11.00%	
Cash flow over threshold	0	0	0	0	0	0	0	0	0	
County's share of excess cash flow	13.11%	13.11%	13.11%	13.11%	13.11%	13.11%	13.11%	13.11%	13.11%	
Look back payment to County	0	0	0	0	0	0	0	0	0	

**Columbia Town Center - Phase I**  
**Exhibit B to Look Back Agreement**  
**Example of Calculation of Look Back Payment to County**

	Year:	26	27	28	29	30
<b>Total Expenditures:</b>						
Acquisition, development and construction (excludes overhead, except Reasonable Overhead, and financing costs):						
Building 1OA						
Building 1OB						
Building 3MFB						
Building 3MFC						
Building 3OA						
Building 3OB						
Building 3RE						
Infrastructure						
Reasonable OH						
Less: TIF proceeds						
Total acquisition, development and construction		0	0	0	0	0
Operating expenses (including property taxes and Reasonable Overhead)	17,115,340	17,971,107	18,869,662	19,813,145	20,803,802	
Reconstruction and building improvements	300,000	300,000	300,000	300,000	300,000	
Special taxes						
Sales transaction costs	0	0	0	0	106,500,000	
<b>Total expenditures</b>	<b>17,115,340</b>	<b>17,971,107</b>	<b>18,869,662</b>	<b>19,813,145</b>	<b>127,303,802</b>	
<b>Total Revenues:</b>						
Rent and reimbursements	85,576,699	89,855,534	94,348,310	99,065,726	104,019,012	
Casualty insurance proceeds						
Sales proceeds	0	0	0	0	3,550,000,000	
<b>Total Revenues</b>	<b>85,576,699</b>	<b>89,855,534</b>	<b>94,348,310</b>	<b>99,065,726</b>	<b>3,654,019,012</b>	
Net Cash Flow	68,461,359	71,884,427	75,478,648	79,252,581	3,526,715,210	
IRR	6.11%	6.38%	6.62%	6.85%	11.05%	
Threshold IRR	11.00%	11.00%	11.00%	11.00%	11.00%	
Cash flow over threshold	0	0	0	0	71,800,000	
County's share of excess cash flow	13.11%	13.11%	13.11%	13.11%	13.11%	
Look back payment to County	0	0	0	0	9,412,630	