

## GRANT AGREEMENT

This Grant Agreement executed this 26<sup>th</sup> day of July, 2010, by and between The City of Carmel Redevelopment Commission ("CRC") and Carmel City Center Community Development Corporation ("4CDC"), Witnesses:

### Recitals

WHEREAS, pursuant to IC §36-7-14-12.2(26), CRC may provide financial assistance (including grants and loans) to community development corporations to permit them to construct, rehabilitate, or repair commercial property within the district;

WHEREAS, 4CDC is a community development corporation;

WHEREAS, 4CDC this day is obtaining the Loan from Lender for the purposes of constructing, rehabilitating, or repairing commercial property within the district;

WHEREAS, to induce Lender to make the Loan, CRC, as permitted pursuant to IC §36-7-14-12.2(26), has agreed to undertake the obligations set forth in this Agreement; and

WHEREAS, the parties desire to enter into this Agreement;

### Agreement

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are acknowledged hereby, CRC and 4CDC agree as follows:

#### 1. Definitions.

**Bond Trustee** shall mean The Bank of New York Mellon Trust Company, N.A., as bond trustee for The City of Carmel Redevelopment Authority Lease Rental Revenue Bonds of 2005.

**Borrower Loan Account Disbursement** shall have the meaning set forth in the Loan Agreement.

**City** shall mean the City of Carmel, Indiana.

**Collateral Assignment** shall mean that certain Collateral Assignment and Security Agreement of even date herewith executed by and among Lender, CRC, and 4CDC.

**Concert Hall** shall mean a world-class concert hall located on that certain real estate depicted on Exhibit A.

**Grant** shall mean a grant in the amount of \$8,500,000.00.

**Grant Account** shall mean the "Grant Account" defined in, and established pursuant to, the Loan Agreement.

**Grant Account Deposits** shall mean the "Grant Account Deposits", as defined in the Loan Agreement.

**Held Funds** shall mean funds in the amount of \$8,250,000.00 being held pending substantial completion of the Concert Hall, which funds are being held in accordance with the Release Conditions and the other terms and conditions set forth on Exhibit B. Upon deposit into the Grant Account, the Held Funds shall become Grant Account Deposits.

**Lender** shall mean Lake City Bank.

**Loan** shall mean a loan made by Lender to 4CDC in accordance with the Loan Documents, which loan is in the original principal amount of \$8,500,000.00.

**Loan Agreement** shall mean that certain Loan Agreement of even date herewith executed by and between 4CDC and Lender.

**Loan Documents** shall mean the loan documents evidencing the Loan, which Loan Documents include, without limitation, Loan Agreement, the Note, and the Collateral Assignment.

**Loan Proceeds** shall have the meaning set forth in the Loan Agreement.

**Note** shall mean that certain Promissory Note of even date herewith executed by 4CDC in favor of Lender and evidencing the Loan.

**Release Conditions** shall mean the conditions upon which the Held Funds will be released by the Bond Trustee, which conditions are set forth on Exhibit B.

**Release Instructions** shall mean instructions substantially in the form attached hereto as Exhibit C, pursuant to which CRC, the City, and/or the City of Carmel Redevelopment Authority, as applicable, shall instruct the Bond Trustee that, upon satisfaction of the Release Conditions, the Bond Trustee shall transfer the Held Funds directly to the Grant Account.

2. **Grant.** CRC hereby makes the Grant to 4CDC. CRC shall fund the Grant in accordance with Section 3.

3. **Grant Funding.**

(a) **Held Funds.** Contemporaneously with the execution of this Agreement, CRC shall execute and deliver the Release Instructions. CRC: (i) shall obtain the release of the Held Funds on or before January 7, 2011; and (ii) at such time as the Release Conditions are satisfied and CRC obtains the release of the Held Funds, shall cause the Bond Trustee to deposit the Held Funds into the Grant Account in accordance with the Release Instructions. Once deposited into the Grant Account, the Held Funds shall become Grant Account Deposits.

(b) **Remainder.** CRC shall deposit the remaining \$250,000.00 of the Grant into the Grant Account on or before January 31, 2011.

4. **Disbursement.** After the Held Funds are deposited in the Grant Account, thereby becoming Grant Account Deposits, the Grant Account Deposits shall be disbursed to (or for the account of) 4CDC, subject to the terms and conditions of the Collateral Assignment.

5. **Prohibitions.** CRC shall not: (a) amend, modify, or terminate this Agreement or the Release Instructions without the prior written consent of the Lender; (b) enter into any agreement that is inconsistent with its obligations under this Agreement; or (c) grant to any party other than 4CDC or Lender any rights or interests in or to the Held Funds other than the rights or interests described in Exhibit D.

6. **Liability Statement.** The Loan: (a) is not a loan to, or indebtedness of, CRC; and (b) is a loan to, and indebtedness of, 4CDC (and not CRC). To induce Lender to make the Loan, CRC, in accordance with IC §36-7-14-12.2, has agreed to undertake the obligations set forth in this Agreement.

7. **Notice.** Any notice required or permitted to be given by either party to this Agreement shall be in writing, and shall be deemed to have been given when: (a) delivered in person to the other party; (b) sent by facsimile, with electronic confirmation of receipt; or (c) sent by national overnight delivery service, with confirmation of receipt, addressed as follows, to: (a) CRC at 30 West Main Street, Suite 220, Carmel, Indiana

46032, Facsimile: 317-844-3498, Attn: Les Olds, with a copy to: Karl P. Haas, Esq., Wallack Somers & Haas, PC, One Indiana Square, Suite 1500, Indianapolis, Indiana 46204, Facsimile: 317-231-9900; and (b) 4CDC at One Indiana Square, Suite 1500, Indianapolis, Indiana 46204, Facsimile: 317-231-9900, Attn: Ryan Wilmering, with a copy to 30 West Main Street, Suite 220, Carmel, Indiana 46032, Facsimile: 317-844-3498, Attn: Les Olds. Either party may change its address for notice from time to time by delivering notice to the other parties as provided above.

**8. Authority.** Each undersigned person executing this Agreement on behalf of CRC and 4CDC represents and certifies that: (a) he or she is empowered, and has been authorized by all necessary action of CRC and 4CDC, respectively, to execute and deliver this Agreement; (b) he or she has full capacity, power, and authority to enter into and carry out this Agreement; and (c) the execution, delivery, and performance of this Agreement have been authorized by CRC and 4CDC, respectively.

**9. Applicable Law.** The validity, construction, interpretation, and enforcement of this Agreement shall be governed by, and construed in accordance with, the laws of the State of Indiana, without regard to principles of conflicts of law. All actions or proceedings arising in connection with this Agreement shall be tried and litigated only in the state courts located in Marion County, Indiana, or the federal courts with venue that includes Marion County, Indiana. The parties waive, to the extent permitted under applicable law: (a) the right to a trial by jury; and (b) any right to assert the doctrine of "forum non conveniens" or to object to venue; in either case to the extent any proceeding is brought in accordance with this Section.

**10. Miscellaneous.** This Agreement shall inure to the benefit of, and be binding upon, each of CRC and 4CDC, and its respective successors and assigns. The captions used in this Agreement are for convenience only and are not to be construed as defining or limiting the terms and conditions of this Agreement. This Agreement constitutes the entire agreement among the parties with respect to the subject matter hereof, and may be modified, amended, or revised only by a written agreement signed by each of the parties. This Agreement may be executed in counterparts, each of which shall be an original, but all of which, when taken together, shall constitute the same agreement.

IN WITNESS WHEREOF, CRC and 4CDC have executed this Agreement as of the date set forth above.

THE CITY OF CARMEL  
REDEVELOPMENT COMMISSION

By: 

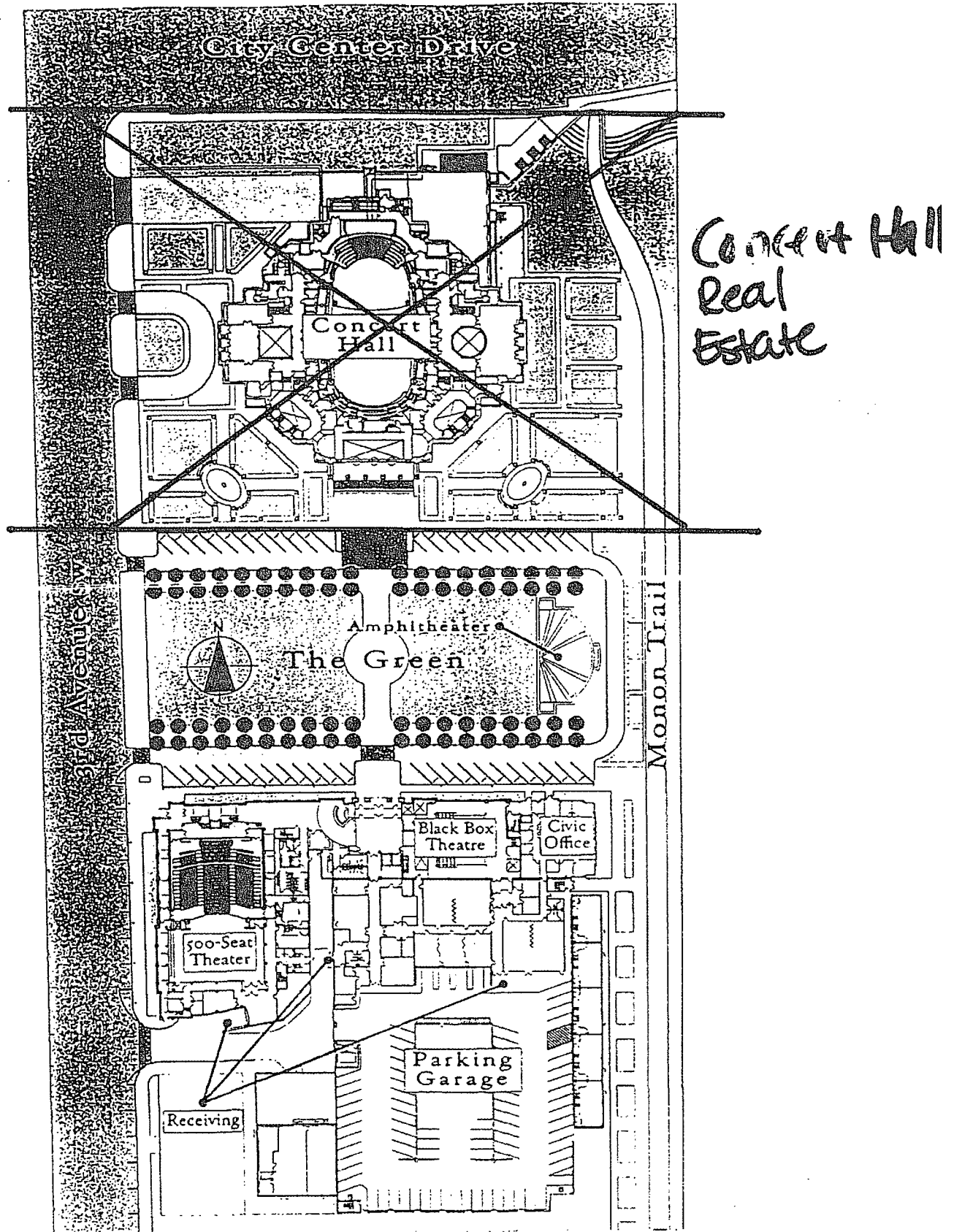
Ronald E. Carter, President

CARMEL CITY CENTER COMMUNITY  
DEVELOPMENT CORPORATION

By: 

Richard F. Taylor III, President

EXHIBIT A



Concert Hall  
Real  
Estate

Site Plan

## **EXHIBIT B**

### **Release Conditions and other Conditions on which Held Funds are Held**

The Held Funds are held pursuant to the Trust Indenture by and between City of Carmel Redevelopment Authority and The Bank of New York Mellon Trust Company, N.A., as successor to J.P. Morgan Trust Company, National Association, as trustee, dated as of December 1, 2005 and are subject to the conditions specified therein, including specifically Sections 3.01 and 3.03.

Exhibit C

The Bank of New York Mellon Trust Company, N.A., as trustee  
300 North Meridian Street, Suite 910  
Indianapolis, Indiana 46204

**REQUEST FOR DISBURSEMENT OF FUNDS**

Pursuant to Section 3.01 of the Trust Indenture by and between City of Carmel Redevelopment Authority (the "Redevelopment Authority") and The Bank of New York Mellon Trust Company, N.A., as successor trustee to JPMorgan Trust Company, National Association (the "Trustee"), dated as of December 1, 2005 (the "Indenture"), immediately upon receipt of the Affidavit of Completion pursuant to Section 3.01 of the Indenture, the Trustee is hereby directed to disburse all amounts transferred from the Debt Service Reserve Fund to the Construction Account in accordance with Section 3.03 of the Indenture (the "Requested Amount") to the Commission (as defined in the Indenture). Such disbursement is being made to reimburse the Commission for costs (the "Expenditures") incurred in connection with the Project (as defined in the Indenture). The Expenditures are not the type of expenditures which are subject to certification by an architect or engineer. The Expenditures being reimbursed are more specifically described in Exhibit A attached hereto, which includes a statement of the character of the expenditure, the amount of each of the Expenditures and to whom each was paid. The Redevelopment Authority hereby directs the Trustee to disburse the Requested Amount immediately upon its transfer to the Construction Account and in accordance with the instructions attached hereto as Exhibit B.

**Signature Page Follows**

Delivered this \_\_ day of July, 2010

CITY OF CARMEL REDEVELOPMENT  
AUTHORITY

By: \_\_\_\_\_  
Robert Bush II, President of the  
Redevelopment Authority

## **EXHIBIT D**

### **Existing and/or Permitted Rights/Interests in or to the Held Funds**

The Held Funds are held pursuant to the Trust Indenture by and between City of Carmel Redevelopment Authority and The Bank of New York Mellon Trust Company, N.A., as successor to J.P. Morgan Trust Company, National Association, as trustee, dated as of December 1, 2005 (the "Trust Indenture"), in the Debt Service Reserve Fund (as defined in the Trust Indenture), for the benefit of holders of the City of Carmel Redevelopment Authority Lease Rental Revenue Bonds of 2005.



Carmel Redevelopment Comm  
**POSTING REGISTER**  
 General Ledger Postings  
 10/26/2010  
 Postings to: Jul, 2010  
 Reference: 10093487

| Account<br>Number | Account<br>Name            | Reference<br>Date | Reference             | Debit<br>Amount   | Credit<br>Amount  | Source |
|-------------------|----------------------------|-------------------|-----------------------|-------------------|-------------------|--------|
| 1062201           | Lake City Rights Available | 7/26/2010         | Lake City ICO created | 8500000.00        |                   | JE     |
| 2012005           | Lake City ICO              | 7/26/2010         | Lake City ICO created |                   | 8500000.00        | JE     |
|                   |                            |                   |                       | <u>8500000.00</u> | <u>8500000.00</u> |        |