

January 9, 2018

Jason E. McConnell
UMB Bank, N.A.
Corporate Trust & Escrow Services
1010 Grand Blvd., 4th Floor
Kansas City, MO 64106

Re: \$32,200,000 Transportation Refunding and Improvement Revenue Bonds ("Zona Rosa Retail Project"), Series 2007 of the Industrial Development Authority of the County of Platte County, Missouri

\$6,975,000 Transportation Revenue Bonds ("Zona Rosa Phase II Retail Project"), Series 2007 of the Industrial Development Authority of the County of Platte County, Missouri

Dear Jason:

Pursuant to the above referenced transactions, Zona Rosa Development, LLC ("Developer") hereby submits the following information to UMB Bank ("Trustee") as of December 31, 2017. This information is in accordance with Section 2(a) of the Developer's Continuing Disclosure Agreement.

- (i) Of the available leasable space in Phase II, 59% is currently leased and occupied and 7.5% of leasable space is currently under advanced negotiations with prospective tenants.
- (ii) No material changes have taken place to the information described under the heading "The Zona Rosa Development Project" in the Reoffering Memorandum.
- (iii) No ownership changes have taken place on any leased parcels.
- (iv) The Developer did not repay its existing mortgage loan on its stated maturity date of September 30, 2016. On December 29, 2016, the Developer entered into a forbearance agreement with its mortgage lenders (the "Lender") whereby the Lender, subject to certain hurdles, agreed to forebear from exercising any enforcement rights in connection with such maturity date default until April 30, 2017. As part of the forbearance agreement, the Developer made a principal reduction payment of \$3,000,000 and the Developer and the Lender agreed that, effective as of October 1, 2016, interest would be charged at LIBOR plus 4.25%. The Developer did not repay the existing mortgage loan prior to expiration of the forbearance agreement on April 30, 2017, and the loan is currently in maturity default. Developer is in ongoing discussions with Lender with respect to such default.

As previously disclosed, on March 30, 2015, the Lender and the Developer executed an extension and modification of the existing mortgage loan that had matured on December 31, 2014. The Developer made a principal reduction payment of \$20,000,000 at the time of such extension and modification, and the mortgage loan maturity date was extended to September 30, 2016. For the first nine (9) months of 2015, interest was charged at the rate of LIBOR plus 2.75%. The interest rate increased to LIBOR plus 3.00% effective October

1, 2015. The new mortgage loan required monthly interest reserve payments of \$29,300.

(v) No material changes to ownership or organization of Developer have taken place in 2017.

Sincerely,

ZONA ROSA DEVELOPMENT, LLC

By:  _____

Andrea Olshan
Authorized Signatory