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***This Preliminary Official Statement is deemed "nearly final"
and is dated November 30, 2018***

In the opinion of Ice Miller LLP ("Bond Counsel"), under federal statutes, decisions, regulations and rulings, interest on the Bonds (hereinafter defined) is excludable from gross income under Section 103 of the Internal Revenue Code of 1986, as amended to the date hereof, for federal income tax purposes and is not a specific item of tax preference for purposes of the federal alternative minimum tax, although Bond Counsel observes that it is included in adjusted current earnings in calculating corporate alternative minimum taxable income for taxable years that began prior to January 1, 2018. Such exclusion is conditioned on continuing compliance with the Tax Covenants (hereinafter defined). In the opinion of Bond Counsel, under existing laws, regulations, judicial decisions and rulings, interest on the Bonds is exempt from income taxation in the State of Indiana. The Bonds have been designated as qualified tax-exempt obligations pursuant to Section 265(b)(3) of the Internal Revenue Code of 1986. See "TAX MATTERS" herein.

\$4,940,000*
YORKTOWN (INDIANA) REDEVELOPMENT AUTHORITY
Yorktown, Indiana
AD VALOREM PROPERTY TAX LEASE RENTAL BONDS OF 2018

Original Date: Date of Delivery (Anticipated to be December 27, 2018) Due: January 15 and July 15, as shown on inside cover page

The Yorktown (Indiana) Redevelopment Authority (the "Authority") is issuing \$4,940,000* of Ad Valorem Property Tax Lease Rental Bonds of 2018 (the "Bonds") to pay the costs of acquisition, construction and reconstruction of Canal Street, including sidewalks, streetscape and utility improvements (collectively, the "Project"), to pay capitalized interest, and to pay issuance expenses. The project is in, serving, or benefitting the Yorktown Economic Development Area No. 1 (the "Area"). The Project will be leased by the Authority to the Town of Yorktown Redevelopment Commission (the "Commission").

The Bonds are secured by and payable from fixed, semiannual lease rental payments (the "Lease Rental(s)") to be paid by the Commission directly to Old National Wealth Management, in Evansville, Indiana (the "Trustee") under a Trust Indenture between the Authority and the Trustee dated as of December 1, 2018 (the "Trust Indenture") and a Lease (herein defined) between the Commission and the Authority. Such Lease Rentals are payable from an ad valorem property tax (a "Special Benefits Tax") levied on all taxable property within the Town of Yorktown Redevelopment District (the "District") in an amount sufficient to pay the Lease Rentals as they become due. The boundaries of the District are coterminous with the Town. The levy of taxes by the Town to pay the Lease Rentals is mandatory under Indiana law. However, see "PROCEDURES FOR PROPERTY ASSESSMENT, TAX LEVY AND COLLECTION" and "CIRCUIT BREAKER TAX CREDIT" herein. The Bonds shall not constitute an indebtedness of the Town or Commission within the meaning of the provisions and limitations of the constitution and state statutes, respectively, of the State of Indiana.

The Bonds will be issued only as fully registered Bonds, and when issued, will be registered in the name of Cede & Co., as nominee for The Depository Trust Company ("DTC"). Purchases of beneficial interests in the Bonds will be made in book-entry-only form in the denomination of \$5,000 or any integral multiple thereof. Purchasers of beneficial interests in the Bonds (the "Beneficial Owners") will not receive physical delivery of certificates representing their interests in the Bonds. Interest on the Bonds will be payable semiannually on January 15 and July 15 of each year, beginning July 15, 2019. Principal and interest will be disbursed on behalf of the Authority by Old National Wealth Management, in Evansville, Indiana (the "Registrar" and "Paying Agent"). Interest on the Bonds will be paid by check, mailed one business day prior to the interest payment date or by wire transfer to depositories. The principal of and premium, if any, on the Bonds shall be payable in lawful money of the United States of America at the designated corporate trust office of the Paying Agent. Interest on, together with the principal of, the Bonds will be paid directly to DTC by the Paying Agent so long as DTC or its nominee is the registered owner of the Bonds. The final disbursement of such payments to the Beneficial Owners of the Bonds will be the responsibility of the DTC Participants and the Indirect Participants. See "BOOK-ENTRY-ONLY SYSTEM". The Bonds will be subject to optional redemption prior to maturity, as more fully described herein. The Bonds may be issued as "Term Bonds" at the Underwriter's (hereinafter defined) discretion and, in that case, would be subject to mandatory sinking fund redemption as more fully described herein.

*Preliminary, subject to change.

This cover page contains certain information for quick reference only. It is not a summary of this issue. Investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision.

MATURITY SCHEDULE
(Base CUSIP* _____)

| <u>Maturity</u> | <u>Principal**</u> | <u>Interest Rate</u> | <u>Yield</u> | <u>CUSIP</u> | <u>Maturity</u> | <u>Principal**</u> | <u>Interest Rate</u> | <u>Yield</u> | <u>CUSIP</u> |
|------------------|--------------------|----------------------|--------------|--------------|------------------|--------------------|----------------------|--------------|--------------|
| July 15, 2020 | \$100,000 | | | | January 15, 2030 | \$130,000 | | | |
| January 15, 2021 | 100,000 | | | | July 15, 2030 | 135,000 | | | |
| July 15, 2021 | 100,000 | | | | January 15, 2031 | 135,000 | | | |
| January 15, 2022 | 105,000 | | | | July 15, 2031 | 140,000 | | | |
| July 15, 2022 | 105,000 | | | | January 15, 2032 | 140,000 | | | |
| January 15, 2023 | 105,000 | | | | July 15, 2032 | 145,000 | | | |
| July 15, 2023 | 110,000 | | | | January 15, 2033 | 145,000 | | | |
| January 15, 2024 | 110,000 | | | | July 15, 2033 | 150,000 | | | |
| July 15, 2024 | 110,000 | | | | January 15, 2034 | 150,000 | | | |
| January 15, 2025 | 115,000 | | | | July 15, 2034 | 155,000 | | | |
| July 15, 2025 | 115,000 | | | | January 15, 2035 | 160,000 | | | |
| January 15, 2026 | 115,000 | | | | July 15, 2035 | 160,000 | | | |
| July 15, 2026 | 115,000 | | | | January 15, 2036 | 165,000 | | | |
| January 15, 2027 | 120,000 | | | | July 15, 2036 | 170,000 | | | |
| July 15, 2027 | 120,000 | | | | January 15, 2037 | 170,000 | | | |
| January 15, 2028 | 125,000 | | | | July 15, 2037 | 175,000 | | | |
| July 15, 2028 | 125,000 | | | | January 15, 2038 | 180,000 | | | |
| January 15, 2029 | 130,000 | | | | July 15, 2038 | 180,000 | | | |
| July 15, 2029 | 130,000 | | | | | | | | |

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**Preliminary, subject to change. The Authority reserves the right to modify individual maturity amounts to achieve its financial objectives with respect to the Bonds based upon the interest rates of the successful bidder.

INFORMATION FOR BIDDING

Date and Time of Sale: Upon 24 hours' notice. Anticipated to take place on December 12, 2018, at 11:30 am (ET)
Place of Sale: Umbaugh, 8365 Keystone Crossing, Suite 300, Indianapolis, Indiana 46240
Maximum Interest Rate: 6% **Minimum Purchase Price**:** 99% (\$4,890,600*)
Multiples: 1/8, 1/20, or 1/100 of 1% **Anticipated Closing Date:** December 27, 2018
Good Faith Deposit: 1% (\$49,400*) of the par amount of the Bonds in a certified or cashier's check bond or wire transfer submitted by the winning bidder no later than 3:30 p.m. (ET) on the business day following the award
Method of Bidding: Electronic bidding by PARITY® or traditional bidding.
Basis of Award: True Interest Cost (TIC)

Adjust Maturities: The Authority reserves the right to modify individual maturity amounts to achieve its financial objectives with respect to the Bonds based upon the interest rates of the successful bidder.

Issue Price Determination: As described in Appendix F to this Preliminary Official Statement, the winning bidder agrees by submission of its bid to assist the Authority in establishing the issue price of the Bonds and shall execute and deliver to the Authority at closing an "issue price" certificate, together with the supporting pricing wires or equivalent communications, with such modifications as may be appropriate or necessary, in the reasonable judgment of the winning bidder, the Authority and Bond Counsel. All interested bidders should read Appendix F regarding the Authority's requirement for the winning bidder to establish the issue price of the Bonds within the meaning of the Code.

For a complete description of terms and conditions for bidding, please refer to the next section of this Official Statement (Appendix i) for the Notice of Intent to Sell Bonds.

The Bonds are being offered for delivery when, as and if issued and received by the Underwriter (hereinafter defined) and subject to the approval of legality by Ice Miller LLP, Indianapolis, Indiana, Bond Counsel. Certain legal matters will be passed on by DeFur Voran as Attorney for the Commission and Authority. The Bonds are expected to be available for delivery to DTC in New York, New York, on or about December 27, 2018.

IN CONNECTION WITH THIS OFFERING THE UNDERWRITER MAY OVER-ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE BONDS OFFERED HEREBY AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET, AND SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

No dealer, broker, salesman or other person has been authorized by the Authority to give any information or to make any representations, other than those contained in this Official Statement, and if given or made, such other information or representations must not be relied upon as having been authorized by the Authority. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities described herein by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information set forth herein has been obtained from the Authority, and other sources which are believed to be reliable, but it is not guaranteed as to accuracy or completeness. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale of the securities described herein shall, under any circumstances, create any implication that there has been no change in the affairs of the Authority since the date of delivery of the securities described herein to the initial purchaser thereof. However, upon delivery of the securities, the Authority will provide a certificate stating that there have been no material changes in the information contained in the Final Official Statement since its delivery.

REFERENCES TO WEB SITE ADDRESSES PRESENTED HEREIN ARE FOR INFORMATIONAL PURPOSES ONLY AND MAY BE IN THE FORM OF A HYPERLINK SOLELY FOR THE READER'S CONVENIENCE. UNLESS SPECIFIED OTHERWISE, SUCH WEB SITES AND THE INFORMATION OR LINKS CONTAINED THEREIN ARE NOT INCORPORATED INTO, AND ARE NOT PART OF, THIS OFFICIAL STATEMENT FOR THE PURPOSES OF, AND AS THAT TERM IS DEFINED IN, SEC RULE 15C2-12.

*Preliminary, subject to change.

** Minimum Purchase Price shall mean the par amount of the Bonds less total discount submitted with bid, including any underwriter discount, purchaser discount, original issue discount or any expenses submitted by the bidder which will reduce the amount of bond proceeds to be received by the Authority, and adding any amortizable bond premium.

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* Preliminary, subject to change.

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PROJECT PERSONNEL

Names and positions of Town personnel and professionals who have taken part in the planning of this project and bond issue are:

Redevelopment Authority

Eric Baize
Michael Burke
Rodney Morrow

Town Council

Rich Lee, President
Robert Ratchford, Vice President
Michael Burke
Daniel Flanagan
Lon Fox
Rick Glaub
Bryan Smith

Redevelopment Commission

Matt Anderson, President
Heather Taylor, Vice President
Teresa Belt
Jason Brooks
Erin Hill
Ted Johnson, Ex-official, Non-voting School Board Member

Town Manager

Peter L. Olson

Clerk-Treasurer

Beth Neff

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Indianapolis, Indiana 46240

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This introduction to the Official Statement contains certain information for quick reference only. Investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision.

PRELIMINARY OFFICIAL STATEMENT

\$4,940,000*

YORKTOWN (INDIANA) REDEVELOPMENT AUTHORITY Yorktown, Indiana AD VALOREM PROPERTY TAX LEASE RENTAL BONDS OF 2018

INTRODUCTION TO THE OFFICIAL STATEMENT

The Yorktown (Indiana) Redevelopment Authority (the “Authority”) is issuing \$4,940,000* of Ad Valorem Property Tax Lease Rental Bonds of 2018 (the “Bonds”) in the name of the Town of Yorktown, Indiana (the “Town”). The Authority is a separate body corporate and politic, organized as an instrumentality of the Town. The Authority was created under and pursuant to IC 36-7-14.5 to finance the construction or acquisition of local public improvements and to lease them to the Yorktown Redevelopment Commission (the “Commission”) for the purposes of redevelopment or economic development.

PURPOSE

The Bonds are being issued to pay the costs of acquisition, construction and reconstruction of Canal Street, including sidewalks, streetscape and utility improvements (collectively, the “Project”), in, serving or benefitting the Yorktown Economic Development Area No. 1 (the “Area”), to pay capitalized interest, and to pay issuance expenses. Funding for the Project will be provided from the proceeds of the Bonds, interest earnings during construction, and Town cash on hand.

SECURITY AND SOURCES OF PAYMENT

The Bonds will be secured as described in the Trust Indenture dated as of December 1, 2018 (the “Trust Indenture”) between the Authority and Old National Wealth Management, in Evansville, Indiana (the “Trustee”). The Bonds are payable from semiannual lease rental payments (the “Lease Rental(s)”) to be paid by the Commission directly to the Trustee pursuant to a Lease Agreement between the Authority and the Commission dated as of October 5, 2018 (the “Lease”). Pursuant to the Lease, the Leased Premises (defined herein) will be leased by the Authority to the Commission. Such Lease Rentals are payable from an ad valorem property tax (a “Special Benefits Tax”) to be levied on all taxable property within the Town of Yorktown Redevelopment District (the “District”) in an amount sufficient to pay the Lease Rental as it becomes due.

The Commission agrees to pay fixed Lease Rentals for the Leased Premises (herein defined) during the term of the Lease, payable in equal semiannual installments. The Lease Rentals to be paid by the Commission are required to be in amounts sufficient to pay principal of and interest on the Bonds. The term of the Lease is twenty (20) years. Lease Rentals are payable semiannually on January 1 and July 1 of each year. Pursuant to the Lease, the Commission will pay interim Lease Rental on July 1, 2019, and on January 1, 2020 (collectively, “Interim Rentals”). Full Lease Rentals will begin on the day the Project is completed and ready for occupancy or July 1, 2020, whichever is later. Interest will be capitalized partially through and including January 15, 2020. (However, *see* “PROCEDURES FOR PROPERTY ASSESSMENT, TAX LEVY AND COLLECTION” and “CIRCUIT BREAKER TAX CREDIT” herein.)

CIRCUIT BREAKER TAX CREDIT

IC 6-1.1-20 provides taxpayers with a tax credit for all property taxes in an amount that exceeds the gross assessed value of real and personal property eligible for the credit (“Circuit Breaker Tax Credit”). If applicable, the Circuit Breaker Tax Credit will result in a reduction of property tax collections for each political subdivision in which the Circuit Breaker Tax Credit is applied.

*Preliminary, subject to change.

The legislation requires local governments to fund their debt service obligations regardless of any property tax revenue shortfalls due to the Circuit Breaker Tax Credit. (See “Circuit Breaker Tax Credit” herein).

REDEMPTION PROVISIONS

The Bonds are subject to optional redemption beginning January 15, 2029 as more fully described herein. The Bonds may be issued as Term Bonds at the discretion of the Underwriter and in that case, would be subject to mandatory sinking fund redemption as more fully described herein.

DENOMINATIONS

The Bonds are being issued in the denomination of \$5,000 or integral multiple thereof.

REGISTRATION AND EXCHANGE FEATURES

The Trustee shall keep at its designated corporate trust office, a record for the registration of the Bonds. Each registered bond shall be transferable or exchangeable only on such record at the designated corporate trust office of the Trustee at the written request of the registered owner thereof or his attorney duly authorized in writing upon surrender thereof, together with a written instrument of transfer satisfactory to the Trustee duly executed by the registered owner or his duly authorized attorney.

BOOK-ENTRY-ONLY SYSTEM

The Bonds shall initially be issued and held in book-entry form on the books of the central depository system. The Depository Trust Company (“DTC”), New York, New York, will act as securities depository for the Bonds. The Bonds will be issued as fully-registered in the name of Cede & Co. (DTC’s partnership nominee). One fully registered Bond certificate will be issued for the Bonds, in the aggregate principal amount of such issue, and will be deposited with DTC. The Authority and the Registrar and Paying Agent may deem and treat the Clearing Agency (Cede & Co.) as the absolute owner and holder of such Bond for all purposes including, without limitation, the receiving of payment of the principal of, premium, if any, and interest on such Bonds, the receiving of notice and the giving of consent. Interest payable July 15, 2019, and semiannually thereafter, will be paid by check mailed one business day prior to the interest payment date to the registered owner or by wire transfer on the interest payment date to the depository shown as the registered owner (Refer to “Book-Entry-Only System” herein).

PROVISIONS FOR PAYMENT

The principal on the Bonds shall be payable at the designated corporate trust office of the Registrar and Paying Agent, or by wire transfer to DTC or any successor depository. All payments of interest on the Bonds shall be paid by check, mailed one business day prior to the interest payment date to the registered owners as the names appear as of the fifteenth day of the month immediately preceding the interest payment date and at the addresses as they appear on the registration books kept by the Registrar or at such other address as is provided to the Registrar or by wire transfer to DTC or any successor depository. If payment of principal or interest is made to DTC or any successor depository, payment shall be made by wire transfer on the payment date in same-day funds. If the payment date occurs on a date when financial institutions are not open for business, the wire transfer shall be made on the next succeeding business day. The Paying Agent shall be instructed to wire transfer payments by 1:00 p.m. (New York City time) so such payments are received at the depository by 2:30 p.m. (New York City time). Payments on the Bonds shall be made in lawful money of the United States of America, which, on the date of such payment, shall be legal tender.

So long as DTC or its nominee is the registered owner of the Bonds, principal and interest on the Bonds will be paid directly to DTC by the Paying Agent. (The final disbursement of such payments to the Beneficial Owners of the Bonds will be the responsibility of the DTC Participants and Indirect Participants, as defined and more fully described herein.)

NOTICES

If the office location at which principal is payable changes, the Trustee will give notice of such change by first-class mail to registered owners at least 15 days prior to the first principal payment date following the date of such change in location.

If the Trustee resigns, notice shall be given to the registered owners by mail at least 20 days prior to the date when such resignation shall take effect. Notice of redemption shall be mailed to the registered owners of all Bonds, not less than thirty (30) nor more than sixty (60) days prior to the date fixed for redemption.

TAX MATTERS

In the opinion of Ice Miller LLP (“Bond Counsel”), interest on the Bonds is excludable from gross income for federal income tax purposes, and is not a specific item of tax preference for purposes of federal alternative minimum tax, although Bond Counsel observes that it is included in adjusted current earnings in calculating corporate alternative minimum taxable income for taxable years that began prior to January 1, 2018. Such exclusion is conditioned on continuing compliance with the Tax Covenants, hereinafter defined. In the opinion of Bond Counsel, interest on the Bonds is exempt from income taxation in the State of Indiana. *See* Appendix D.

The Bonds have been designated as qualified tax-exempt obligations to qualify for the \$10,000,000 exception from the provisions of Section 265(b)(3) of the Internal Revenue Code of 1986 relating to the disallowance of 100% of the deduction for interest expense allocable to tax-exempt obligations.

MISCELLANEOUS

The information contained in this Official Statement has been compiled from Town officials and other sources deemed to be reliable, and while not guaranteed as to completeness or accuracy, it is believed to be correct as of this date. However, the Official Statement speaks only as of its date, and the information contained herein is subject to change.

The references, excerpts and summaries of all documents referred to herein do not purport to be complete statements of the provisions of such documents, and reference is directed to all such documents for full and complete statements of all matters of fact relating to the Bonds, the security for the payment of the Bonds and the rights and obligations of the owners thereof. A complete text of the Trust Indenture will be provided upon request. Additional information may be requested from the Town Manager, 2400 South Russ Street, Yorktown, Indiana 47396, phone (765) 759-4003.

Any statements made in this Official Statement involving matters of opinion or of estimates, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates will be realized. Neither this Official Statement nor any statement which may have been made verbally or in writing is to be construed as a contract with the owners of the Bonds.

THE PROJECT

PROJECT DESCRIPTION

The Bonds are being issued to finance the acquisition, construction and reconstruction of Canal Street, including sidewalks, streetscape and utility improvements (collectively, the “Project”), to pay capitalized interest, and to pay issuance expenses.

CONSTRUCTION PROGRAM

Construction bids for the Project are to be received on or about November 27, 2018. Construction of the Project will begin in December 2018 and is anticipated to be completed in September 2019.

ESTIMATED PROJECT COSTS AND FUNDING

Estimated Project Costs:*

| | | |
|---|----------------|---------------------------|
| Net available proceeds for the Projects | | |
| Land Costs | \$200,000 | |
| Hard Costs | 3,332,020 | |
| Soft Costs | 1,137,250 | |
| Contingencies | <u>460,730</u> | |
| Sub-total | | \$5,130,000 |
| Capitalized interest through January 15, 2020 (1) | | 89,342 |
| Allowance for underwriter's discount (1.0%) | | 49,400 |
| Allowance for issuance costs and contingencies | | <u>311,258</u> |
| Total Estimated Project Costs | | <u><u>\$5,580,000</u></u> |

Estimated Project Funding:*

| | |
|--|---------------------------|
| Ad Valorem Property Tax Lease Rental Bonds of 2018 | \$4,940,000 |
| Community Crossings Grant | <u>640,000</u> |
| Total Estimated Project Funding | <u><u>\$5,580,000</u></u> |

*Preliminary, subject to change.

(1) Assumes construction will be complete by September 1, 2019. Assumes 50% of the project will be available for use during construction.

SCHEDULE OF AMORTIZATION \$4,940,000* PRINCIPAL AMOUNT OF
AD VALOREM PROPERTY TAX LEASE RENTAL BONDS OF 2018

| Payment Date | Principal Outstanding* | Principal* | Interest Rates | Interest | Total | Budget Year Total |
|-----------------|---------------------------|----------------|-------------------|----------|-------|----------------------|
| | (-----In Thousands-----) | | (%) | | | |
| 07/15/2019 | \$4,940 | | | | | |
| 01/15/2020 | 4,940 | | | | | |
| 07/15/2020 | 4,940 | \$100 | | | | |
| 01/15/2021 | 4,840 | 100 | | | | |
| 07/15/2021 | 4,740 | 100 | | | | |
| 01/15/2022 | 4,640 | 105 | | | | |
| 07/15/2022 | 4,535 | 105 | | | | |
| 01/15/2023 | 4,430 | 105 | | | | |
| 07/15/2023 | 4,325 | 110 | | | | |
| 01/15/2024 | 4,215 | 110 | | | | |
| 07/15/2024 | 4,105 | 110 | | | | |
| 01/15/2025 | 3,995 | 115 | | | | |
| 07/15/2025 | 3,880 | 115 | | | | |
| 01/15/2026 | 3,765 | 115 | | | | |
| 07/15/2026 | 3,650 | 115 | | | | |
| 01/15/2027 | 3,535 | 120 | | | | |
| 07/15/2027 | 3,415 | 120 | | | | |
| 01/15/2028 | 3,295 | 125 | | | | |
| 07/15/2028 | 3,170 | 125 | | | | |
| 01/15/2029 | 3,045 | 130 | | | | |
| 07/15/2029 | 2,915 | 130 | | | | |
| 01/15/2030 | 2,785 | 130 | | | | |
| 07/15/2030 | 2,655 | 135 | | | | |
| 01/15/2031 | 2,520 | 135 | | | | |
| 07/15/2031 | 2,385 | 140 | | | | |
| 01/15/2032 | 2,245 | 140 | | | | |
| 07/15/2032 | 2,105 | 145 | | | | |
| 01/15/2033 | 1,960 | 145 | | | | |
| 07/15/2033 | 1,815 | 150 | | | | |
| 01/15/2034 | 1,665 | 150 | | | | |
| 07/15/2034 | 1,515 | 155 | | | | |
| 01/15/2035 | 1,360 | 160 | | | | |
| 07/15/2035 | 1,200 | 160 | | | | |
| 01/15/2036 | 1,040 | 165 | | | | |
| 07/15/2036 | 875 | 170 | | | | |
| 01/15/2037 | 705 | 170 | | | | |
| 07/15/2037 | 535 | 175 | | | | |
| 01/15/2038 | 360 | 180 | | | | |
| 07/15/2038 | 180 | <u>180</u> | | | | |
| Totals | | <u>\$4,940</u> | | | | |

*The Authority reserves the right to adjust principal maturities to accomplish its financial objectives with respect to the Bonds based upon the interest rates of the successful bidder.

SECURITIES BEING OFFERED

AUTHORIZATION AND APPROVAL PROCESS

The Bonds are to be issued under the authority of Indiana law, including, without limitation, IC 36-7-14.5, IC 36-7-25, and IC 36-7-14 as in effect on the date of delivery of the Bonds (the “Act”) and pursuant to the Trust Indenture and the Lease (see Appendix B for a Summary of Certain Provisions of the Trust Indenture and Appendix C for a Summary of the Lease).

The Town has created a 3-member Authority, under provisions of the Act, for the purpose of financing, constructing, acquiring, and leasing to the Commission certain local public improvements (including the Project). The Town has created a 5-member Commission to undertake redevelopment and economic development efforts in the Town in accordance with the Act. On September 9, 2002, the Commission adopted a Declaratory Resolution to establish the Yorktown Economic Development Area No. 1 (the “Area”). The Project serves and benefits the Area.

Pursuant to IC 6-1.1-20, with certain exceptions listed below, when property taxes are pledged to the repayment of Bonds or leases to finance a project, a determination must be made as to whether the project is a “controlled project”. Projects classified as controlled projects are subject to certain public approval procedures. A controlled project is one that is financed by a bond or lease, is payable in whole or in part by property taxes and costs more than the lesser of:

- (1) Depending on the date of adoption of the preliminary determination ordinance or resolution:
 - (a) If adopted prior to January 1, 2018, \$2 million;
 - (b) If adopted after December 31, 2017, but before January 1, 2019, \$5 million;
 - (c) If adopted after December 31, 2018, an amount equal to the assessed value growth quotient (as determined by the DLGF) multiplied by the amount determined under this clause for the preceding calendar year;
- (2) An amount equal to:
 - (a) At least 1% of gross assessed value, if that total gross assessed value is more than \$100 million; or
 - (b) \$1 million if the gross assessed value is not more than \$100 million.

The main exceptions for a project being classified as a controlled project when there are property taxes being pledged to the repayment of the Bonds or leases, and the project meets the criteria set forth in (1)-(2) above are when (a) property taxes are used only as a back-up to enhance credit, (b) a project is being refinanced to generate taxpayer savings, (c) the project is required by court order holding that a federal law mandates the project, or (d) the project is in response to a natural disaster, emergency or accident which is approved by the Town making it unavailable for its intended use.

The Project is considered a non-controlled project and the issuance of the Bonds was able to continue without additional approval procedures.

LEASED PREMISES

The leased premises consist of the real estate as described in Exhibit B of the Lease (the “Leased Premises”) and the Project improvements are to be constructed with proceeds of the Bonds and cash on-hand.

SECURITY AND SOURCES OF PAYMENT

The Bonds shall constitute an obligation of the Authority payable in accordance with the terms of the Trust Indenture and secured by the pledge and assignment to the Trustee of the funds and accounts defined and described therein, including the Lease Rental and other funds as defined in the Trust Indenture. The Trust Indenture creates a continuing pledge by the Authority to the bondholders to pay principal and interest on the Bonds, until the principal sum shall be fully paid.

Lease Rentals will be paid by the Commission directly to the Trustee (for the account of the Authority) pursuant to the terms of the Lease. Lease Rental are payable semiannually on January 1 and July 1 of each year. Interest is partially capitalized through and including January 15, 2020. Interim Lease Rental payments will be due July 1, 2019 and January 1, 2020. The first full Lease Rental for the Bonds is to begin on the day the Project is completed and ready for use or July 1, 2020, whichever is later. (See the “Summary of the Lease” in Appendix C.) If there is excessive delay in construction and the Project is not available for use by July 1, 2020, sufficient funds may not be

available to meet the principal and interest payments due on the Bonds on July 15, 2020, and subsequent interest and principal payments. The Authority anticipates that the Project will be completed in September 2019.

The term of the lease will be no more than twenty (20) years from the date the Project is ready for use. After acquisition, if the Leased Premises should ever be substantially or totally destroyed, the Lease Rentals will be abated during the period in which the Leased Premises are unfit or unavailable for their intended use. However, under the terms of the Lease, the Commission and the Authority have the ability to substitute other existing public improvements of substantially equivalent value for the Leased Premises in order to maintain the ability of the Commission to continue to pay the Lease Rentals under the Lease. The Commission is required by the Lease to maintain rental value insurance in an amount equal to full rental value for a period up to two (2) years. In addition, the proceeds of any property and or casualty insurance claim for the Project would be used either to reconstruct the Project or to retire obligations issued to finance the Project. (Please refer to the "Summary of Certain Provisions of the Trust Indenture" shown in Appendix B and the "Summary of the Lease" shown in Appendix C).

The Lease Rentals to be paid by the Commission during the term of the Lease are required to be in amounts sufficient to pay the principal of and interest on the Bonds. The Lease Rental is secured by a pledge of ad valorem property taxes levied on all taxable property in the District.

RELATIONSHIP OF ANNUAL LEASE RENTAL PAYMENTS TO ANNUAL DEBT SERVICE REQUIREMENTS

The Lease Rentals to be paid by the Commission each January 1 and July 1 for the use and occupancy of the Leased Premises will be equal to an amount which, when added to funds in the Sinking Fund will be sufficient to pay unpaid principal and interest on the Bonds which is due on or before the January 15 and July 15 following such January 1 and July 1, plus an amount sufficient to provide for the fees of the Trustee and incidental expenses of the Authority.

All Lease Rentals shall be paid by or on behalf of the Commission to the Trustee under the Trust Indenture or to such other bank or trust company as may from time to time succeed the Trustee as provided thereunder. All payments so made by or on behalf of the Town shall be considered as payment to the Authority of Lease Rentals payable under the Lease.

ADDITIONAL BONDS

Additional Bonds may be issued on parity with the Bonds subject to the terms and limitations of the Trust Indenture. Except as permitted by the Trust Indenture, the Authority covenants that it will not incur any indebtedness other than the Bonds unless such additional indebtedness is payable solely from income of the Authority other than the rental payments provided for in the Lease.

INVESTMENT OF FUNDS

The proceeds of this issue are to be invested in accordance with the laws of the State of Indiana relating to the depositing, holding, securing or investing of public funds as set forth in the Trust Indenture. The Town shall direct the investment of Bond proceeds.

THE BONDS

INTEREST CALCULATION

Interest shall be calculated on the basis of a 360-day year consisting of twelve 30-day months.

REDEMPTION PROVISIONS

Optional Redemption:

The Bonds maturing on or after July 15, 2029 are redeemable prior to maturity at the option of the Authority in whole or in part in any order of maturity as determined by the Authority and by lot within maturities, on January 15, 2029, or any date thereafter, at face value plus accrued interest to the date fixed for redemption and without any redemption premium.

Mandatory Sinking Fund Redemption:

If any Bonds are issued as Term Bonds, the Trustee shall credit against the mandatory sinking fund requirement for the Term Bonds, and corresponding mandatory redemption obligation, in the order determined by the Authority, any Term Bonds which have previously been redeemed (otherwise than as a result of a previous mandatory redemption requirement) or delivered to the Trustee for cancellation or purchased for cancellation by the Trustee and not theretofore applied as a credit against any redemption obligation. Each Term Bond so delivered or canceled shall be credited by the Trustee at 100% of the principal amount thereof against the mandatory sinking fund obligation on such mandatory redemption date, and any excess of such amount shall be credited on future redemption obligations, and the principal amount of that Term Bond to be redeemed by operation of the mandatory sinking fund requirement shall be accordingly reduced; provided, however, the Trustee shall only credit such Term Bond to the extent received on or before 45 days preceding the applicable mandatory redemption date.

If fewer than all the Bonds are called for redemption at one time, the Bonds shall be redeemed in order of maturity determined by the Authority and by lot within maturity. Each \$5,000 principal amount shall be considered a separate bond for purposes of optional and mandatory redemption. If some Bonds are to be redeemed by optional and mandatory sinking redemption on the same date, the Trustee shall select by lot the Bonds for optional redemption before selecting the Bonds by lot for the mandatory sinking fund redemption.

Notice of Redemption:

Notice of redemption shall be mailed to the registered owners of all Bonds to be redeemed at least thirty (30) days but not more than sixty (60) days prior to the date fixed for such redemption. If any of the Bonds are so called for redemption, and payment therefore is made to the Trustee in accordance with the terms of the Trust Indenture, then such Bonds shall cease to bear interest from and after the date fixed for redemption in the call.

BOOK-ENTRY-ONLY SYSTEM

The Bonds will be available only in book-entry form in the principal amount of \$5,000 or any integral multiple thereof. DTC will act as the initial securities depository for the Bonds. The ownership of one fully registered Bond will be registered in the name of Cede & Co., as nominee for DTC.

SO LONG AS CEDE & CO, AS NOMINEE OF DTC, IS THE REGISTERED OWNER OF THE BONDS, REFERENCES IN THIS OFFICIAL STATEMENT TO THE REGISTERED OWNERS (OR THE OWNERS) WILL MEAN CEDE & CO. AND WILL NOT MEAN THE BENEFICIAL OWNERS.

The Depository Trust Company (“DTC”), New York, New York, will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond will be issued for the Bonds, in the aggregate principal amount of such issue, and will be deposited with DTC.

DTC, the world’s largest depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues and money market instruments from over 100 countries that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has a Standard & Poor’s rating of AA+. The DTC Rules

applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Bonds within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Authority as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Payments of principal, interest and redemption amounts, if any, on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Authority or the Paying Agent, on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC (nor its nominee), the Paying Agent, or the Authority, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Authority or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursements of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the Authority or the Paying Agent. Under such circumstances, in the event that a successor securities depository is not obtained, Bond certificates are required to be printed and delivered.

The Authority may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered.

The information contained in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Authority believes to be reliable, but neither the Authority nor the Underwriter takes any responsibility for the accuracy thereof.

In the event that the book-entry-only system is discontinued, the Paying Agent will provide for the registration of the Bonds in the name of the Beneficial Owners thereof. The Authority, the Registrar, the Paying Agent and any other Fiduciary would treat the person in whose name any Bond is registered as the absolute owner of such Bond for the purposes of making and receiving payment of the principal thereof and interest thereon, and for all other purposes, and none of these parties would be bound by any notice or knowledge to the contrary.

Revision of Book-Entry-Only System:

In the event that either (1) the Authority receives notice from DTC to the effect that DTC is unable or unwilling to discharge its responsibilities as a clearing agency for the Bonds or (2) the Authority elects to discontinue its use of DTC as a clearing agency for the Bonds, then the Authority and the Paying Agent will do or perform or cause to be done or performed all acts or things, not adverse to the rights of the holders of the Bonds, as are necessary or appropriate to discontinue use of DTC as a clearing agency for the Bonds and to transfer the ownership of each of the Bonds to such person or persons, including any other clearing agency, as the holder of such Bonds may direct in accordance with the Trust Indenture. Any expenses of such a discontinuation and transfer, including any expenses of printing new certificates to evidence the Bonds will be paid by the Authority.

PROCEDURES FOR PROPERTY ASSESSMENT, TAX LEVY AND COLLECTION

The debt service payments are payable from ad valorem property taxes required by law to be levied by or on behalf of the Commission. Article 10, Section 1 of the Constitution of the State of Indiana ("Constitutional Provision") provides that, for property taxes first due and payable in 2012 and thereafter, the Indiana General Assembly shall, by law, limit a taxpayer's property tax liability to a specified percentage of the gross assessed value of the taxpayer's real and personal property. The Indiana General Assembly enacted legislation (IC 6-1.1-20.6), which implements the Constitutional Provision and provides taxpayers with a tax credit for all property taxes in an amount that exceeds a certain percentage of the gross assessed value of eligible property. See "CIRCUIT BREAKER TAX CREDIT" herein for further details on the levy and collection of property taxes.

Real and personal property in the State is assessed each year as of January 1. On or before August 1 of each year, the County Auditor must submit a certified statement of the assessed value of each taxing unit for the ensuing year to the Department of Local Government Finance ("DLGF"). The DLGF shall make the certified statement available on its gateway website located at <https://gateway.ifionline.org/> ("Gateway"). The County Auditor may submit an amended certified statement at any time before December 31 of the year preceding the budget year (as defined in IC 6-1.1-17-16(k)(2)), the date by which the DLGF must certify the taxing units' budgets.

The certified statement of assessed value is used when the governing body of a local taxing unit meets to establish its budget for the next fiscal year (January 1 through December 31) and to set tax rates and levies. In preparing the taxing unit's estimated budget, the governing body must consider the net property tax revenue that will be collected by the taxing unit during the ensuing year, after taking into account the DLGF's estimate of the amount by which the taxing unit's distribution of property taxes will be reduced by the application of the Circuit Breaker Tax Credit (as defined in the summary of "CIRCUIT BREAKER TAX CREDIT" herein), and after taking into account the DLGF's estimate of the maximum amount of net property tax revenue and miscellaneous revenue that the taxing unit will receive in the ensuing year. Before May 1 of each year after 2017, the fiscal officer of each political subdivision shall provide the DLGF with an estimate of the total amount of its debt service obligations (as defined in IC 6-1.1-20.6-9.8) that will be due in the last six months of the current year and in the ensuing year. Beginning in 2018, the DLGF shall provide to each political subdivision: (1) an estimate of the maximum property tax rate that may be imposed by the political subdivision for the ensuing year for each cumulative fund or other fund for which a maximum property tax rate is established by law; and (2) an estimate of property taxes payable for the ensuing year for debt service. Before August 1 of each year, the DLGF shall provide to each taxing unit (1) an estimate of the maximum amount of net property tax revenue and miscellaneous revenue that the unit will receive in the ensuing year if the unit's tax rates are imposed at the maximum allowable rate and levy under law and (2) an estimate of the amount by which the taxing unit's

distribution of property taxes will be reduced due to the Circuit Breaker Tax Credit. Beginning in 2018, the State Budget Agency must provide to the DLGF and the County Auditor an estimate of the certified local income tax distribution before June 1, and the DLGF must provide by July 1, the estimated amounts to be distributed at the taxing level to the County Auditor.

The taxing unit must submit the following information to the DLGF via Gateway: (i) its estimated budget; (ii) the estimated maximum permissible tax levy, as determined by the DLGF; (iii) the current and proposed tax levies of each fund; (iv) the estimated amount, determined by the DLGF, by which the taxing unit's property taxes may be reduced by the Circuit Breaker Tax Credit; (v) the amount of excess levy appeals to be requested, if any; and (vi) the time and place at which the taxing unit will conduct a public hearing related to the information submitted to Gateway. The public hearing must be conducted at least ten days prior to the date the governing body establishes the budget, tax rate and levy, which by statute must each be established no later than November 1.

The budget, tax levy and tax rate of each taxing unit are subject to review by the DLGF, and the DLGF shall certify the tax rates and tax levies for all funds of taxing units subject to the DLGF's review. The DLGF may not increase a taxing district's budget by fund, tax rate or tax levy to an amount which exceeds the amount originally fixed by the taxing unit unless the taxing unit meets all of the following: (i) the increase is requested in writing by the taxing unit; (ii) the requested increase is published on the DLGF's advertising internet website; and (iii) notice is given to the county fiscal body of the DLGF's correction.

Taxing units have until December 31 of the calendar year immediately preceding the ensuing calendar year to file a levy shortfall appeal. Beginning with budget year 2019, the DLGF must complete its review and certification of budgets, tax rates and levies, not later than December 31 of the year preceding the budget year, unless a taxing unit in the county issues debt after December 1 or intends to file a shortfall appeal under IC 6-1.1-18.5-16 in which case the DLGF must certify the budgets for the taxing units in the county by January 15 of the budget year.

On or before March 15, the County Auditor prepares the tax duplicate, which is a roll of property taxes payable in that year. The County Auditor publishes a notice of the tax rate in accordance with Indiana statutes. The County Treasurer mails tax statements at least 15 days prior to the date that the first installment is due (due dates may be delayed due to a general reassessment or other factors). Property taxes are due and payable to the County Treasurer in two installments on May 10 and November 10, unless the mailing of tax bills is delayed or a later due date is established by order of the DLGF. If an installment of property taxes is not completely paid on or before the due date, a penalty of 10% of the amount delinquent is added to the amount due; unless the installment is completely paid within thirty (30) days of the due date and the taxpayer is not liable for delinquent property taxes first due and payable in a previous year for the same parcel, the amount of the penalty is five percent (5%) of the amount of the delinquent taxes. On May 11 and November 11 of each year after one year of delinquency, an additional penalty equal to 10% of any taxes remaining unpaid is added. The penalties are imposed only on the principal amount of the delinquency. Property becomes subject to tax sale procedures after 15 months of delinquency. The County Auditor distributes property tax collections to the various taxing units on or about June 30 after the May 10 payment date and on or about December 31 after the November 10 payment date.

Pursuant to State law, personal property is assessed at its actual historical cost less depreciation, in accordance with 50 IAC 4.2, the DLGF's Rules for the Assessment of Tangible Personal Property. Effective January 1, 2016, state law annually exempts from property taxation new tangible business personal property with an acquisition cost of less than \$20,000. Pursuant to State law, real property is valued for assessment purposes at its "true tax value" as defined in the Real Property Assessment Rule, 50 IAC 2.4, the 2011 Real Property Assessment Manual ("Manual"), as incorporated into 50 IAC 2.4 and the 2011 Real Property Assessment Guidelines, Version A ("Guidelines"), as adopted by the DLGF. P.L. 204-2016, SEC. 3, enacted in 2016, retroactive to January 1, 2016, amends State law to provide that "true tax value" for real property does not mean the value of the property to the user and that true tax value shall be determined under the rules of the DLGF. As a result of P.L. 204-2016, the DLGF has begun the process of amending the Manual. In the case of agricultural land, true tax value shall be the value determined in accordance with the Guidelines and IC 6-1.1-4, as amended by P.L. 180-2016. Except for agricultural land, as discussed below, the Manual permits assessing officials in each county to choose any acceptable mass appraisal method to determine true tax value, taking into consideration the ease of administration and the uniformity of the assessments produced by that method. The Guidelines were adopted to provide assessing officials with an acceptable appraisal method, although the Manual makes it clear that assessing officials are free to select from any number of appraisal methods, provided that they produce "accurate and uniform values throughout the jurisdiction and across all classes of property". The Manual specifies the standards for accuracy and validation that the DLGF uses to determine the acceptability of

any alternative appraisal method. “Net Assessed Value” or “Taxable Value” represents the “Gross Assessed Value” less certain deductions for mortgages, veterans, the aged, the blind, economic revitalization areas, resource recovery systems, rehabilitated residential property, solar energy systems, wind power devices, hydroelectric systems, geothermal devices and tax-exempt property. The “Net Assessed Value” or “Taxable Value” is the assessed value used to determine tax rates.

Changes in assessed values of real property occur periodically as a result of the county’s reassessment plan, as well as when changes occur in the property value due to new construction or demolition of improvements. Before July 1, 2013, and before May 1 of every fourth year thereafter, each county assessor will prepare and submit to the DLGF a reassessment plan for the county. The DLGF must complete its review and approval of the reassessment plan before January 1 of the year following the year in which the reassessment plan is submitted by the county. The reassessment plan must divide all parcels of real property in the county into four (4) different groups of parcels. Each group of parcels must contain approximately twenty-five percent (25%) of the parcels within each class of real property in the county. All real property in each group of parcels shall be reassessed under the county’s reassessment plan once during each four (4) year cycle. The reassessment of a group of parcels in a particular class of real property shall begin on May 1 of a year, and must be completed on or before January 1 of the year after the year in which the reassessment of the group of parcels begins. For real property included in a group of parcels that is reassessed, the reassessment is the basis for taxes payable in the year following the year in which the reassessment is to be completed. The county may submit a reassessment plan that provides for reassessing more than twenty-five percent (25%) of all parcels of real property in the county in a particular year. A plan may provide that all parcels are to be reassessed in one (1) year. However, a plan must cover a four (4) year period. All real property in each group of parcels shall be reassessed under the county’s current reassessment plan once during each reassessment cycle. The reassessment of the first group of parcels under a county’s reassessment plan begins on May 1, 2018, and is to be completed on or before January 1, 2019. Since 2007, all real property assessments are revalued annually to reflect market value based on comparable sales data (“Trending”). When a change in assessed value occurs, a written notification is sent to the affected property owner. If the owner wishes to appeal this action, the owner may file a petition requesting a review of the action. This petition must be filed with the county assessor in which the property is located within 45 days after the written notification is given to the taxpayer or May 10 of that year, whichever is later. While the appeal is pending, the taxpayer may pay taxes based on the current year’s tax rate and the previous or current year’s assessed value.

Beginning in 2018, the County Auditor shall submit to the DLGF parcel level data of certified net assessed values as required by and according to a schedule provided by the DLGF.

CIRCUIT BREAKER TAX CREDIT

Description of Circuit Breaker:

Article 10, Section 1 of the Constitution of the State of Indiana (the “Constitutional Provision”) provides that, for property taxes first due and payable in 2012 and thereafter, the Indiana General Assembly shall, by law, limit a taxpayer’s property tax liability to a specified percentage of the gross assessed value of the taxpayer’s real and personal property. IC 6-1.1-20.6 (the “Statute”) authorizes such limits in the form of a tax credit for all property taxes in an amount that exceeds the gross assessed value of real and personal property eligible for the credit (the “Circuit Breaker Tax Credit”). For property assessed as a homestead (as defined in IC 6-1.1-12-37), the Circuit Breaker Tax Credit is equal to the amount by which the property taxes attributable to the homestead exceed 1% of the gross assessed value of the homestead. Property taxes attributable to the gross assessed value of other residential property, agricultural property, and long-term care facilities are limited to 2% of the gross assessed value, property taxes attributable to other non-residential real property and personal property are limited to 3% of the gross assessed value. The Statute provides additional property tax limits for property taxes paid by certain senior citizens.

If applicable, the Circuit Breaker Tax Credit will result in a reduction of property tax collections for each political subdivision in which the Circuit Breaker Tax Credit is applied. **Political subdivisions may not increase their property tax levy or borrow money to make up for any property tax revenue shortfall due to the application of the Circuit Breaker Tax Credit.**

The Constitutional Provision excludes from the application of the Circuit Breaker Tax Credit property taxes first due and payable in 2012, and thereafter, that are imposed after being approved by the voters in a referendum. The Statute codifies this exception, providing that, with respect to property taxes first due and payable in 2012 and thereafter, property taxes imposed after being approved by the voters in a referendum will not be considered for purposes of

calculating the limits to property tax liability under the provisions of the Statute. In accordance with the Constitutional Provision, the General Assembly has, in the Statute, designated Lake County and St. Joseph County as “eligible counties” and has provided that property taxes imposed in these eligible counties to pay debt service and make lease rental payments for Bonds or leases issued or entered into before July 1, 2008 or on Bonds issued or leases entered into after June 30, 2008 to refund those Bonds or leases, will not be considered for purposes of calculating the limits to property tax liability under the provisions of the Statute, through and including December 31, 2019.

The Statute requires political subdivisions to fully fund the payment of outstanding debt service or lease rental obligations payable from property taxes (“Debt Service Obligations”), regardless of any reduction in property tax collections due to the application of the Circuit Breaker Tax Credit. Upon: (i) the failure of a political subdivision to pay any of its Debt Service Obligations; and (ii) notification of that event to the treasurer of the State by a claimant; the treasurer of State is required to pay the unpaid Debt Service Obligations from money in the possession of the State that would otherwise be available to the political subdivision under any other law. A deduction must be made: (i) first, from local income tax distributions that would otherwise be distributed to the county; and (ii) second, from any other undistributed funds of the political subdivision in possession of the State.

The Statute categorizes property taxes levied to pay Debt Service Obligations as “protected taxes,” regardless of whether the property taxes were approved at a referendum, and all other property taxes as “unprotected taxes.” The total amount of revenue to be distributed to the fund for which the protected taxes were imposed shall be determined without applying the Circuit Breaker Tax Credit. The application of the Circuit Breaker Tax Credit must reduce only the amount of unprotected taxes distributed to a fund. The Town may allocate the reduction by using a combination of unprotected taxes of the Town in those taxing districts in which the Circuit Breaker Tax Credit caused a reduction in protected taxes. The tax revenue and each fund of any other political subdivisions must not be affected by the reduction.

If the allocation of property tax reductions to funds receiving only unprotected taxes is insufficient to offset the amount of the Circuit Breaker Tax Credit, the revenue for a fund receiving protected taxes will also be reduced. If a fund receiving protected taxes is reduced, the Statute provides that a political subdivision may transfer money from any other available source in order to meet its Debt Service Obligations. The amount of this transfer is limited to the amount by which the protected taxes are insufficient to meet Debt Service Obligations.

The Town cannot predict the timing, likelihood or impact on property tax collections of any future actions taken, amendments to the Constitution of the State of Indiana or legislation enacted, regulations or rulings promulgated or issued to implement any such regulations, statutes or the Constitutional Provision described above or of future property tax reform in general. There has been no judicial interpretation of this legislation. In addition, there can be no assurance as to future events or legislation that may affect the Circuit Breaker Tax Credit or the collection of property taxes by the Town.

For example, in March, 2016, the Indiana General Assembly passed legislation which revises the factors used to calculate the assessed value of agricultural land. This legislation is retroactive to the January 1, 2016, assessment date and applies to each assessment date thereafter. The revised factors enacted in the legislation may reduce the total assessed value of agricultural land, which could shift property tax liability from agricultural property owners to other property owners. In addition, the reduction in the assessed value of agricultural land may result in a reduction of the total assessed value of a town. A lower assessed value of a town may result in higher tax rates in order for a town to receive its approved property tax levy. See “PROCEDURES FOR PROPERTY ASSESSMENT, TAX LEVY AND COLLECTION” herein.

Estimated Circuit Breaker Tax Credit for the Town:

According to the DLGF, the Circuit Breaker Tax Credit allocable to the Town for budget years 2016, 2017, and 2018 were \$293,045, \$258,926, and \$317,615, respectively. These estimates do not include the estimated debt service on the Bonds and the Lease Rentals on the Lease securing the Bonds.

The Circuit Breaker Tax Credit amounts above do not reflect the potential effect of any further changes in the property tax system or methods of funding local government that may be enacted by the Indiana General Assembly in the future. The effects of these changes could affect the Circuit Breaker Tax Credit and the impact could be material. Other future events, such as the loss of a major taxpayer, reductions in assessed value, increases in property tax rates of overlapping taxing units or the reduction in local option income taxes applied to property tax relief could increase

effective property tax rates and the amount of the lost revenue due to the Circuit Breaker Tax Credit, and the resulting increase could be material.

CONTINUING DISCLOSURE

Pursuant to continuing disclosure requirements promulgated by the Securities and Exchange Commission (“SEC”) in SEC Rule 15c2-12, as amended to the date hereof (the “SEC Rule”), the Commission will enter into a Continuing Disclosure Undertaking (the “Undertaking”), to be dated the date of the sale of the Bonds. Pursuant to the terms of the Undertaking, the Commission agrees to provide the information detailed in the Undertaking, the form of which is attached hereto as Appendix E.

The Commission may, from time to time, amend or modify the Undertaking without the consent of or notice to the owners of the Bonds if either (a)(i) such amendment or modification is made in connection with a change in circumstances that arises from a change in legal requirements, change in law or change in the identity, nature or status of the Commission or the Town, or type of business conducted; (ii) the Undertaking, as so amended or modified, would have complied with the requirements of the SEC Rule on the date of execution of the Undertaking, after taking into account any amendments or interpretations of the SEC Rule, as well as any change in circumstances; and (iii) such amendment or modification does not materially impair the interests of the holders of the Bonds, as determined either by (A) nationally recognized bond counsel or (B) an approving vote of the holders of the Bonds pursuant to the terms of the Resolution or Trust Indenture at the time of such amendment or modification; or (b) such amendment or modification (including an amendment or modification which rescinds the Undertaking) is permitted by the SEC Rule, then in effect.

The Commission may, at its sole discretion, utilize an agent in connection with the dissemination of any annual financial information required to be provided by the Commission pursuant to the terms of the Undertaking. The Town and the Commission have currently retained Umbaugh (as hereinafter defined) as its dissemination agent.

The purpose of the Undertaking is to enable the Underwriter to purchase the Bonds by providing for an undertaking by the Commission in satisfaction of the SEC Rule. The Undertaking is solely for the benefit of the owners of the Bonds and creates no new contractual or other rights for the SEC, underwriters, brokers, dealers, municipal securities dealers, potential customers, other obligated persons or any other third party. The sole remedy against the Commission for any failure to carry out any provision of the Undertaking shall be for specific performance of the Commission’s disclosure obligations under the Undertaking and not for money damages of any kind or in any amount or any other remedy. The Commission’s failure to honor its covenants under the Undertaking shall not constitute a breach or default of the Bonds, the Trust Indenture, the Lease or any other agreement.

In order to assist the Underwriter in complying with the Underwriter’s obligations pursuant to the SEC Rule, the Town and the Commission represent that they have conducted or caused to be conducted what they believe to be a reasonable review of the Town and the Commission’s compliance with continuing disclosure obligations. Based upon such review, the Town and the Commission have failed to consistently comply with previous undertakings. Such failures include, but may not be limited to, certain notices that were not filed on bond issues that have since been refunded.

The Town and the Commission make no representation as to any potential materiality of such prior instances, as materiality is dependent upon individual facts and circumstances.

BOND RATING

S&P Global Ratings (“S&P Global”) has assigned a bond rating of “A+” to the Bonds. Such rating reflects only the view of S&P Global and any explanation of the significance of such rating may only be obtained from S&P Global.

The rating is not a recommendation to buy, sell or hold the Bonds, and such rating may be subject to revision or withdrawal at any time by S&P Global. Any downward revision or withdrawal of the rating may have an adverse effect upon the market price of the Bonds.

The Authority did not apply to any other rating service for a rating on the Bonds.

UNDERWRITING

The Bonds are being purchased by _____ (the “Underwriter”) at a purchase price of \$_____, which is the par amount of the Bonds of \$_____ less the Underwriter’s discount of \$_____ plus the original issue premium of \$_____. The Notice of Intent to Sell provides that all of the Bonds will be purchased by the Underwriter if any of such Bonds are purchased.

The Underwriter intends to offer the Bonds to the public at the offering prices set forth on the inside cover page of this Official Statement. The Underwriter may allow concessions to certain dealers (including dealers in a selling group of the Underwriter and other dealers depositing the Bonds into investment trusts), who may reallow concessions to other dealers. After the initial public offering, the public offering price may vary from time to time by the Underwriter.

MUNICIPAL ADVISOR

H.J. Umbaugh & Associates, Certified Public Accountants, LLP (the “Municipal Advisor”) (“Umbaugh”) has been retained by the Town to provide certain financial advisory services including, among other things, preparation of the deemed “nearly final” Preliminary Official Statement and the Final Official Statement (the “Official Statements”). The information contained in the Official Statements has been compiled from records and other materials provided by Town officials and other sources deemed to be reliable. The Municipal Advisor has not and will not independently verify the completeness and accuracy of the information contained in the Official Statements.

The Municipal Advisor’s duties, responsibilities and fees arise solely as Municipal Advisor to the Town and they have no secondary obligations or other responsibility. However, Umbaugh is preparing the Lease Sufficiency Report for the Bonds. The Municipal Advisor’s fees are expected to be paid from proceeds of the Bonds.

Municipal Advisor Registration:

Umbaugh is a Municipal Advisor registered with the Securities and Exchange Commission and the Municipal Securities Rulemaking Board. As such, Umbaugh is providing certain specific municipal advisory services to the Town, but is neither a placement agent to the Town nor a broker/dealer and cannot participate in the underwriting of the Bonds.

The offer and sale of the Bonds shall be made by the Town, in the sole discretion of the Town, and under its control and supervision. The Town agrees that Umbaugh does not undertake to sell or attempt to sell the Bonds, and will take no part in the sale thereof.

Other Financial Industry Activities and Affiliations:

Umbaugh Cash Advisory Services, LLC (“UCAS”) is a wholly-owned subsidiary of Umbaugh. UCAS is registered as an investment adviser with the Securities and Exchange Commission under the federal Investment Advisers Act. UCAS provides non-discretionary investment advice with the purpose of helping clients create and maintain a disciplined approach to investing their funds prudently and effectively. UCAS may provide advisory services to the clients of Umbaugh.

UCAS has no other activities or arrangements that are material to its advisory business or its clients with a related person who is a broker-dealer, investment company, other investment adviser or financial planner, bank, law firm or other financial entity.

LEGISLATIVE PROPOSALS

Current and future legislative proposals, if enacted into law, clarification of the Code or court decisions may cause interest on the Bonds to be subject, directly or indirectly, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent Beneficial Owners from realizing the full current benefit of the tax status of such interest. The introduction or enactment of any such legislative proposals, clarification of the Code or court decisions may also affect the market price for, or marketability of, the Bonds. Prospective purchasers of the Bonds should consult their own tax advisors regarding any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

Legislation affecting municipal bonds is considered from time to time by the United States Congress and the Executive Branch, including some proposed changes under consideration at the time of issuance of the Bonds. Bond Counsel's opinion is based upon the law in existence on the date of issuance of the Bonds. It is possible that legislation enacted after the date of issuance of the Bonds or proposed for consideration will have an adverse effect on the excludability of all or a part of the interest on the Bonds from gross income, the manner in which such interest is subject to federal income taxation or the market price of the Bonds.

Legislation affecting municipal bonds is considered from time to time by the Indiana legislature and Executive Branch. It is possible that legislation enacted after the date of the Bonds or proposed for consideration will have an adverse effect on payment or timing of payment or other matters impacting the Bonds.

The Town, Authority, and Commission cannot predict the outcome of any such federal or state proposals as to passage, ultimate content or impact if passed, or timing of consideration or passage. Purchasers of the Bonds should reach their own conclusions regarding the impact of any such federal or state proposals.

TAX MATTERS

In the opinion of Ice Miller LLP, Indianapolis, Indiana, Bond Counsel, under federal statutes, decisions, regulations and rulings, the interest on the Bonds is excludable for federal tax income purposes from gross income under Section 103 of the Internal Revenue Code of 1986, as amended ("Code"). Interest on the Bonds is not treated as a specific preference item for purposes of the federal alternative minimum tax, although Bond Counsel observes that it is included in adjusted current earnings in calculating corporate alternative minimum taxable income for taxable years that began prior to January 1, 2018. Such exclusion is conditioned on continuing compliance by Town with the Tax Covenants (as hereinafter defined). Failure to comply with the Tax Covenants could cause interest on the Bonds to lose the exclusion from gross income for federal income taxation retroactive to the date of issue. In the opinion of Ice Miller LLP, Indianapolis, Indiana, Bond Counsel, under existing laws, regulations, judicial decisions and rulings, interest on the Bonds is exempt from income taxation in the State of Indiana ("State"). See Appendix D for the form of Bond Counsel opinion.

The Code imposes certain requirements which must be met subsequent to the issuance of the Bonds as a condition to the exclusion from gross income of interest on the Bonds for federal income tax purposes. The Town will covenant not to take any action, within its power and control, nor fail to take any action with respect to the Bonds that would result in the loss of the exclusion from gross income for federal income tax purposes of interest on the Bonds pursuant to Section 103 of the Code (collectively, "Tax Covenants"). The Trust Indenture and certain certificates and agreements to be delivered on the date of delivery of the Bonds establish procedures to permit compliance with the requirements of the Code. It is not an event of default under the Trust Indenture if interest on the Bonds is not excludable from gross income for federal tax purposes or otherwise pursuant to any provision of the Code which is not in effect on the issue date of the Bonds.

IC 6-5.5 imposes a franchise tax on certain taxpayers (as defined in IC 6-5.5) which, in general, include all corporations which are transacting the business of a financial institution in Indiana. The franchise tax is measured in part by interest excluded from gross income under Section 103 of the Code minus associated expenses disallowed under Section 265 of the Code.

Although Bond Counsel will render an opinion that interest on the Bonds is excluded from federal gross income and exempt from State income tax, the accrual or receipt of interest on the Bonds may otherwise affect a bondholder's federal income tax or state tax liability. The nature and extent of these other tax consequences will depend upon the bondholder's particular tax status and a bondholder's other items of income or deduction. Taxpayers who may be affected by such other tax consequences include, without limitation, individuals, financial institutions, certain insurance companies, S corporations, certain foreign corporations, individual recipients of Social Security or railroad retirement benefits and taxpayers who may be deemed to have incurred (or continued) indebtedness to purchase or carry the Bonds. Bond Counsel expresses no opinion regarding any other such tax consequences. Prospective purchasers of the Bonds should consult their own tax advisors with regard to the federal and State tax consequences of owning the Bonds other than those consequences set forth in the form of opinion of Bond Counsel.

Under existing laws, judicial decisions, regulations and rulings, the Bonds have been designated as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code relating to the exception from the 100%

disallowance of the deduction for interest expense allocable to interest on tax-exempt obligations acquired by financial institutions. The designation is conditioned on continuing compliance with the Tax Covenants.

ORIGINAL ISSUE DISCOUNT

The initial public offering price of the Bonds maturing on _____ through and including _____ (collectively, the “Discount Bonds”) is less than the principal amount payable at maturity. As a result the Discount Bonds will be considered to be issued with original issue discount. The difference between the initial public offering price of the Discount Bonds, as set forth on the inside cover page of this Official Statement (assuming it is the first price at which a substantial amount of that maturity is sold) (the “Issue Price” for such maturity), and the amount payable at maturity of the Discount Bonds will be treated as “original issue discount.” A taxpayer who purchases a Discount Bond in the initial public offering at the Issue Price for such maturity and who holds such Discount Bond to maturity may treat the full amount of original issue discount as interest which is excludable from the gross income of the owner of that Discount Bond for federal income tax purposes and will not, under present federal income tax law, realize taxable capital gain upon payment of the Discount Bond at maturity.

The original issue discount on each of the Discount Bonds is treated as accruing daily over the term of such Bond on the basis of the yield to maturity determined on the basis of compounding at the end of each six-month period (or shorter period from the date of the original issue) ending on January 15 and July 15 (with straight line interpolation between compounding dates).

Section 1288 of the Code provides, with respect to tax-exempt obligations such as the Discount Bonds, that the amount of original issue discount accruing each period will be added to the owner’s tax basis for the Discount Bonds. Such adjusted tax basis will be used to determine taxable gain or loss upon disposition of the Discount Bonds (including sale, redemption or payment at maturity). Owners of Discount Bonds who dispose of Discount Bonds prior to maturity should consult their tax advisors concerning the amount of original issue discount accrued over the period held and the amount of taxable gain or loss upon the sale or other disposition of such Discount Bonds prior to maturity.

As described above in “Tax Matters,” the original issue discount that accrues in each year to an owner of a Discount Bond may result in certain collateral federal income tax consequences. Owners of any Discount Bonds should be aware that the accrual of original issue discount in each year may result in a tax liability from these collateral tax consequences even though the owners of such Discount Bonds will not receive a corresponding cash payment until a later year.

Owners who purchase Discount Bonds in the initial public offering but at a price different from the Issue Price for such maturity should consult their own tax advisors with respect to the tax consequences of the ownership of the Discount Bonds.

The Code contains certain provisions relating to the accrual of original issue discount in the case of subsequent purchasers of Bonds such as the Discount Bonds. Owners who do not purchase Discount Bonds in the initial offering should consult their own tax advisors with respect to the tax consequences of the ownership of the Discount Bonds.

Owners of Discount Bonds should consult their own tax advisors with respect to the state and local tax consequences of owning the Discount Bonds. It is possible under the applicable provisions governing the determination of state or local income taxes accrued interest on the Discount Bonds may be deemed to be received in the year of accrual even though there will not be a corresponding cash payment until a later year.

AMORTIZABLE BOND PREMIUM

The initial offering price of the Bonds maturing on _____ through and including _____ (collectively, the “Premium Bonds”), is greater than the principal amount payable at maturity or call date. As a result, the Premium Bonds will be considered to be issued with amortizable bond premium (the “Bond Premium”). An owner who acquires a Premium Bond in the initial offering will be required to adjust the owner’s basis in the Premium Bond downward as a result of the amortization of the Bond Premium, pursuant to Section 1016(a)(5) of the Code. Such adjusted tax basis will be used to determine taxable gain or loss upon the disposition of the Premium Bonds (including sale, redemption or payment at maturity or call). The amount of amortizable Bond Premium will be computed on the basis of the owner’s yield to maturity, with compounding at the end of each accrual period. Rules for determining (i) the amount of amortizable Bond Premium and (ii) the amount amortizable in a particular year are set forth in

Section 171(b) of the Code. No income tax deduction for the amount of amortizable Bond Premium will be allowed pursuant to Section 171(a)(2) of the Code, but amortization of Bond Premium may be taken into account as a reduction in the amount of tax-exempt income for purposes of determining other tax consequences of owning the Premium Bonds. Owners of the Premium Bonds should consult their tax advisors with respect to the precise determination for federal income tax purposes of the treatment of Bond Premium upon the sale or other disposition of Premium Bonds and with respect to the state and local tax consequences of owning and disposing of Premium Bonds.

Special rules governing the treatment of Bond Premium, which are applicable to dealers in tax-exempt securities are found at Section 75 of the Code. Dealers in tax-exempt securities are urged to consult their own tax advisors concerning treatment of Bond Premium.

LITIGATION

To the knowledge of the officers and counsel for the Authority, Commission, and Town, there is no litigation pending, or threatened, against the Authority or the Town, which in any way questions or affects the validity of the Bonds, or any proceedings or transactions relating to the issuance, sale or delivery thereof.

The officers and counsel for the Authority, Commission, and Town will certify at the time of delivery of the Bonds that there is no litigation pending or in any way threatened questioning the validity of the Bonds, or any of the proceedings had relating to the authorization, issuance and sale of the Bonds, the Trust Indenture or the Project that would result in a material adverse impact on the financial condition of the Town. See “Unrelated Litigation” in Appendix A.

CERTAIN LEGAL MATTERS

Legal matters incident to the authorization, issuance and sale of the Bonds are subject to the unqualified approving opinion of Ice Miller LLP, Indianapolis, Indiana, Bond Counsel, whose approving opinion will be available at the time of delivery of the Bonds. Ice Miller LLP has not been asked nor has it undertaken to review the accuracy or sufficiency of this Official Statement, and will express no opinion thereon. The form of opinion of Bond Counsel is included as Appendix D of this Official Statement.

LEGAL OPINIONS AND ENFORCEABILITY OF REMEDIES

The various legal opinions to be delivered concurrently with the delivery of the Bonds express the professional judgment of the attorneys rendering the opinions on the legal issues explicitly addressed therein. By rendering a legal opinion, the opinion giver does not become an insurer or guarantor of that expression of professional judgment, of the transaction opined upon, or of the future performance of parties to such transaction. Nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

The remedies available to the bondholders upon a default under the Trust Indenture, or to the Authority under the Lease, are in many respects dependent upon judicial actions which are often subject to discretion and delay. Under existing constitutional and statutory law and judicial decisions, including specifically Title 11 of the United States Code (the federal bankruptcy code), the remedies provided in the Trust Indenture and the Lease may not be readily available or may be limited. Under federal and State environmental laws certain liens may be imposed on property of the Authority from time to time, but the Authority has no reason to believe, under existing law, that any such lien would have priority over the lien on the property taxes pledged to the payment of Lease Rentals or to the lien on the Lease Rentals pledged to the payment of the Bonds.

The various legal opinions to be delivered concurrently with the delivery of the Bonds will be qualified as to the enforceability of the various legal instruments by the valid exercise of the constitutional powers of the Town, the State of Indiana and the United States of America and bankruptcy, reorganization, insolvency, moratorium or other similar laws affecting the rights of creditors generally, and by general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

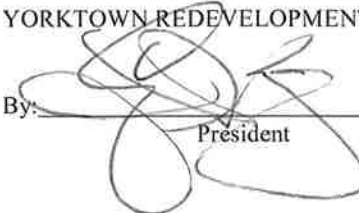
These exceptions would encompass any exercise of federal, State or local police powers (including the police powers of the Town), in a manner consistent with the public health and welfare. Enforceability of the Trust Indenture and the Lease in a situation where such enforcement may adversely affect public health and welfare may be subject to these police powers.

The Authority and Commission certify to the best of their knowledge and belief that this Official Statement, as of its date and as it relates to the Town and its economic and financial condition, (i) is complete and accurate; (ii) does not contain any untrue statement of a material fact; and (iii) does not omit any material facts or information which would make the statements contained herein misleading.

This Official Statement and its execution are duly authorized.


YORKTOWN REDEVELOPMENT AUTHORITY

By:



President

Attest:



Secretary

YORKTOWN REDEVELOPMENT COMMISSION

By:



President

Attest:



Secretary

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APPENDIX i

NOTICE OF INTENT TO SELL LEASE RENTAL BONDS

Upon not less than twenty-four (24) hours' notice given by telephone or e-mail on behalf of the Secretary-Treasurer, the Yorktown Redevelopment Authority ("Authority") will receive and consider bids for the purchase of the bonds described herein. Any person interested in submitting a bid for the bonds must furnish in writing to the Secretary-Treasurer of the Authority, c/o H.J. Umbaugh & Associates, Certified Public Accountants, LLP, 8365 Keystone Crossing, Suite 300, Indianapolis, Indiana 46240-0458, (317) 465-1500, bids@umbaugh.com (e-mail) on or before 11:30 a.m. (EST) on December 11, 2018, the person's name, address, and telephone number. The persons may also furnish a telecopy number or e-mail address. Bids may also be submitted electronically via PARITY® in accordance with this notice. To the extent any instructions or directions set forth in PARITY® conflict with this notice, the terms of this notice shall control. For further information about PARITY®, potential bidders may contact the Authority's municipal advisor, H.J. Umbaugh & Associates, Certified Public Accountants, LLP at (317) 465-1500 or PARITY® at (212) 849-5021. The Secretary-Treasurer will notify (or cause to be notified) each person so registered of the date and time bids will be received not less than twenty-four (24) hours before the date and time of sale. The notification shall be made by telephone at the number, or e-mail at the address, furnished by such person and also by telecopy if a telecopy number has been received. The sale is expected to take place on December 12, 2018.

If a potential bidder has questions related to the Authority, the financing or submission of bids, questions should be submitted by email to the addresses above no later than two days before sale by 11:30 a.m. (EST). (The sale is anticipated to occur on December 12, 2018). To the best of the Authority's ability, all questions will be addressed by the Authority and sent to potential bidders, including any bidders requesting 24 hours' notice of sale, no later than two days prior to the sale by 5:00 p.m. (EST). Additionally, upon request, the written responses will be emailed to any other interested bidder. Bidders should review this notice as well as the Preliminary Official Statement and submit any questions in advance of this deadline to submit questions.

At the time designated for the sale, the Authority will receive and consider bids for the purchase of the bonds of the Authority designated as "Ad Valorem Property Tax Lease Rental Bonds of 2018" in the aggregate principal amount of \$4,940,000*. Bidders may bid a net discount not to exceed 1% of the par value of the bonds. The bonds will bear interest at a rate or rates not to exceed 6.0% per annum (the exact interest rate or rates will be determined by bidding). Interest will be payable semiannually on January 15 and July 15 of each year, beginning on July 15, 2019. Interest shall be calculated on a 360-day year consisting of twelve 30-day months. The bonds will be dated as of their issue date, will be in any denomination of \$5,000 or integral multiples thereof and will mature semiannually on January 15 and July 15 on the dates and in the amounts as provided by the Authority at least 24 hours prior to the time of the sale.

* Subject to change.

The Authority reserves the right to adjust the maturity schedule following the sale to accomplish approximately level annual debt service based upon the rates bid by the successful bidder.

All or a portion of the bonds may be issued as one or more term bonds, upon election of the successful bidder. Such term bonds shall have a stated maturity or maturities of January 15 or July 15 on the dates as determined by the successful bidder through the final maturity as described above for the bonds. The term bonds shall be subject to mandatory sinking fund redemption and final payment(s) at maturity at 100% of the principal amount thereof, plus accrued interest to the redemption date, in the years consistent with the schedule provided.

The bonds maturing on July 15, 2029, and thereafter, are redeemable at the option of the Authority on January 15, 2029, or any date thereafter, on thirty (30) days' notice, in whole or in part, in order of maturity and by lot within a maturity, as determined by the Authority, at face value, with no premium, plus interest accrued to the date fixed for redemption.

Principal is payable at the office of a registrar and paying agent to be designated by the Authority. Interest shall be paid by check mailed to the registered owners or by wire transfer to depositories. The bonds will be issued in fully registered form.

Each bid, including bids submitted via *PARITY*[®], must be for all of the bonds and must state the rate or rates of interest in multiples of 1/8, 1/20 or 1/100 of 1%. Any bids specifying two or more interest rates shall also specify the amount and maturities of the bonds bearing each rate, but all bonds maturing on the same date shall bear the same single interest rate. The award will be made to the best bidder complying with the terms of sale and offering the lowest true interest cost to the Authority. The true interest cost rate is that rate which, when used to compute the total present value as of the date of delivery of the bonds of all debt service payments on the bonds on the basis of semiannual compounding, produces an amount equal to the sum of the par value of the bonds minus any premium bid plus any discount. In the event of a bidder's error in interest cost rate calculations, the interest rates and premium, if any, set forth or incorporated by reference in the Official Bid Form will be considered as the intended bid. Although not a term of sale, it is requested that each bid show the net dollar interest cost to final maturity and the true interest rate on the entire issue. **No conditional bid or bids for less than 99% of the par value of the bonds will be considered.** The right is reserved to reject any and all bids. If no satisfactory bids are received at the time and on the date herein fixed, the sale will be continued from day to day thereafter, without further advertisement for a period of thirty (30) days during which time no bid which provides a higher true interest cost to the Authority than the best bid received at the time of the advertised sale will be considered.

Each bid not submitted via *PARITY*[®] must be on a customary bid form which shall be either enclosed in a sealed envelope addressed to the Secretary-Treasurer and marked "Bid for the Yorktown Redevelopment Authority, Ad Valorem Property Tax Lease Rental Bonds of 2018." The winning bidder will be notified and instructed to submit a good faith deposit which may consist of either a certified or cashier's check or a wire transfer in the amount of \$49,400* ("Deposit"). If a check is submitted, it shall be drawn on a bank or trust company which is insured by the Federal Deposit Insurance Corporation and shall be submitted to the Authority (or shall wire transfer such amount as instructed by the Authority not later than 3:30 p.m. (EST time)

on the next business day following the award. In either case, the Deposit shall be payable to the "Yorktown Redevelopment Authority" and shall be held as a guaranty of the performance of the bid. No interest on the Deposit will accrue to the successful bidder. If the successful bidder fails to honor its accepted bid, the Deposit will be retained by the Authority. The successful bidder will be required to make payment to the Trustee selected by the Authority ("Trustee") for such bonds in Federal Reserve funds or other immediately available funds and accept delivery of the bonds from the Trustee within five days after being notified that the bonds are ready for delivery, at such bank in the City of Evansville, Indiana, or the Town of Yorktown, Indiana ("Town"), as the purchaser shall designate, or at such other location which may be mutually agreed to by the Authority and such bidder. It is anticipated that the bonds will be ready for delivery within thirty days after the date of the sale and if not ready for delivery within forty-five days after the sale date, the purchaser shall be entitled to rescind the sale and obtain the return of the Deposit. The successful bidder is expected to apply to a securities depository registered with the SEC to make such bonds depository-eligible. The successful bidder will also be required to certify as to the price at which a substantial amount of bonds of each maturity was reoffered to the public. The opinion of Ice Miller LLP, bond counsel of Indianapolis, Indiana, approving the legality of the bonds, together with a transcript of the bond proceedings, and closing certificates in the usual form showing no litigation, will be furnished to the successful bidder at the expense of the Authority.

All provisions of the bid form and Preliminary Official Statement are incorporated herein. As set forth in the Preliminary Official Statement, the winning bidder agrees by submission of their bid to assist the Authority in establishing the issue price of the bonds under the terms outlined therein and shall execute and deliver to the Authority at closing an "issue price" certificate, together with the supporting pricing wires or equivalent communications, with such modifications as may be appropriate or necessary, in the reasonable judgment of the winning bidder, the Authority and Bond Counsel.

The bonds may be issued, at the option of the successful bidder, by means of a book-entry-only system with no physical distribution of bond certificates made to the public. One bond certificate for each maturity will be issued to and registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), and immobilized in its custody. The successful bidder, as a condition of delivery of the bonds, shall be required to deposit the bond certificates with DTC, registered in the name of Cede & Co., nominee of DTC.

It is anticipated that CUSIP identification numbers will be printed on the bonds, but neither the failure to print such numbers on any bond nor any error with respect thereto shall constitute cause for failure or refusal by the successful bidder therefor to accept delivery of and pay for the bonds in accordance with the terms of its bid. No CUSIP identification number shall be deemed to be a part of any bond or a part of the contract evidenced thereby and no liability shall hereafter attach to the Authority or any of its officers or agents because of or on account of such numbers. All expenses in relation to the printing of CUSIP identification numbers on the bonds shall be paid for by the Authority; provided, however, that the CUSIP Service Bureau charge for the assignment of said numbers shall be the responsibility of and shall be paid for by the successful bidder. The successful bidder will also be responsible for any other fees or expenses it incurs in connection with the resale of the bonds.

The bonds will be secured by a trust indenture to the trustee and will be subject to the terms and provisions of the indenture. The property to be covered by the indenture has been leased for a period of twenty (20) years to the Yorktown Redevelopment Commission ("Commission"). The lease provides for interim lease rentals at the maximum annual rate of \$300,000 payable semiannually on July 1, 2019 through and including January 1, 2020 ("Interim Period"). At the end of the Interim Period, the Commission agrees to pay rental for the Leased Premises at the maximum annual rate of \$450,000 (collectively, "Rental") for the acquisition, construction and reconstruction of Canal Street, including sidewalks, streetscape and utility improvements ("Project"), which Rental is payable semiannually on January 1 and July 1 of each year, beginning on the day that the Project is completed and ready for use or July 1, 2020, whichever is later. Rentals are payable from a special benefits tax (an ad valorem property tax) levied on all property in the Yorktown Redevelopment District (which is coterminous with the Town) under IC 36-7-14-27. The Authority reserves the right to issue additional bonds payable from the Rental in order to finance the remainder of the Project.

After the sale of all bonds issued by the Authority to pay for the cost of the Project, including funding other expenses incidental thereto, the annual rental shall be reduced to an amount equal to the multiple of \$1,000 next higher than the sum of principal and interest due on such bonds in each twelve month period ending on January 15 date plus \$5,000, payable in equal semiannual installments. All bidders shall be deemed to be advised as to the provisions of the above-mentioned trust indenture and lease and the provisions of IC 5-1-14, IC 36-7-14, IC 36-7-14.5 and IC 36-7-25.

The Authority was created for the purpose of financing, constructing, acquiring and leasing redevelopment projects and economic development projects in connection with the redevelopment and economic development of the Area in the Town to the Commission and the bonds are being issued under the provisions of IC 5-1-14, IC 36-7-14, IC 36-7-14.5 and IC 36-7-25 for the purpose of providing funds to finance the construction of the Project, to pay capitalized interest on the bonds and costs of issuance of the bonds. In the opinion of bond counsel, under the federal statutes, decisions, regulations and rulings existing on this date, the interest on the bonds is excludable from gross income for purposes of federal income taxation.

The bonds are subject to the Internal Revenue Code of 1986 as in effect on the date of their issuance ("Code") which imposes limitations on the issuance of obligations like the bonds under federal tax law. The Authority has covenanted to comply with those limitations to the extent required to preserve the exclusion of interest on the bonds from gross income for federal income tax purposes. The Authority has designated the Bonds for purposes of Section 265(b) of the Code to qualify for the \$10,000,000 annual exception from the 100% disallowance, in the case of banks and other financial institutions, of the deduction for interest expense allocable to tax-exempt obligations.

The Authority prepared an Official Statement relating to the bonds which it deems to be nearly final. A copy of the nearly final Official Statement may be obtained from the Issuer's municipal advisor, H.J. Umbaugh & Associates, Certified Public Accountants, LLP, 8365 Keystone Crossing, Suite 300, Indianapolis, Indiana 46240-0458 or from www.newissuehome.i-deal.com.

Within seven (7) business days of the sale, the Authority will provide the successful bidder with no more than fifteen (15) copies of the final Official Statement at the Authority's expense and such additional copies as may be requested, within five (5) business days of the sale, by the successful bidder at the expense of the successful bidder. Inquiries concerning matters contained in the nearly final Official Statement must be made and pricing and other information necessary to complete the final Official Statement must be submitted by the successful bidder within two (2) business days following the sale to be included in the final Official Statement.

Pursuant to a Continuing Disclosure Undertaking to be delivered by the Commission upon delivery of the bonds, the Commission will covenant to comply with Securities and Exchange Commission Rule 15c2-12, as in effect of the date of delivery of the bonds ("Rule 15c2-12"). The Commission will covenant to provide, upon request, the most recent annual financial information and operating data relating to the Commission as described in the Preliminary Official Statement prepared in connection with the sale of the bonds. Further, with respect to the bonds, the Commission will undertake to provide notice of those material events required by Rule 15c2-12.

Dated this 5th day of December, 2018.

Secretary-Treasurer, Yorktown Redevelopment
Authority

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APPENDIX A

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TOWN OF YORKTOWN, INDIANA

GENERAL PHYSICAL AND DEMOGRAPHIC INFORMATION

LOCATION

The Town of Yorktown (the “Town”) is located in Delaware County (the “County”) in east central Indiana. The Town is approximately 60 miles northeast of Indianapolis and 60 miles southwest of Fort Wayne.

GENERAL CHARACTERISTICS

The Town is primarily residential with many residents commuting to nearby Muncie, Anderson, and Indianapolis for employment. Many recreational and cultural activities are available in the Town and in the surrounding area.

Prairie Creek Reservoir and Campground is a 1,252-acre lake and recreational area that provides opportunities for sailing, hiking, swimming, and fishing. Several municipal parks throughout the County provide swimming pools, playgrounds, and athletic fields. The Muncie Sportsplex provides several lighted softball diamonds and hosts local, regional, and national tournaments.

In the nearby City of Muncie, the County seat, musicals and theatrical performances are offered by the Muncie Civic Theatre and the Muncie Symphony Orchestra. The Minnetrista Cultural Center provides world-class exhibits, concerts, festivals, and special events. The facility includes eight major buildings, a historic nature area, and numerous gardens and sculptures. The Muncie Children’s Museum provides hands-on exploration and exhibits for children.

Located in Muncie, Ball State University offers residents several recreational and entertainment activities. The Emens Auditorium seats 3,600 and hosts concerts, lectures, musicals, and theater productions. The Health and Physical Activity Complex holds conferences, concerts, and major speaking events in addition to athletic events and classes.

GOVERNMENTAL STRUCTURE

The Town is governed by a seven-member Town Council, with each member elected to a four-year term. The Clerk Treasurer, also elected to a four-year term, is responsible for the financial records of the Town. The Town also employs a manager. Additional Town departments include the following:

| | |
|------------------------------|-------------------------|
| Building & Zoning Department | Public Works Department |
| Fire Department | Stormwater Management |
| Police Department | Utility Billing Office |

The Town employs a total of approximately 33 full and part-time employees with no union representation.

UNRELATED LITIGATION

The State of Indiana commenced litigation to remove Town Clerk-Treasurer Beth Neff (“Neff”) from her office for failure to perform her duties in accordance with IC 5-8-1-35. On August 1, 2017, the trial court held that Neff should not be removed from office, finding that to remove Neff from her office violated the Indiana Constitution, and that the decision whether to retain Neff as Clerk-Treasurer belonged to the voters in the Town. The State appealed. On May 11, 2018, the Indiana Court of Appeals reversed the decision of the trial court, finding that Neff’s removal was appropriate. Neff petitioned for transfer to the Indiana Supreme Court, and following oral argument, the Supreme Court granted the petition on September 27, 2018, vacating the decision of the Court of Appeals to remove Neff. By granting the petition to transfer, the Supreme Court assumes jurisdiction over the appeal and all issues. At the present time, Neff continues to hold the office of Clerk-Treasurer. It is not known when the Supreme Court will issue its opinion or whether it will determine whether Neff will remain in office or be removed or take other action. The Town intends to take all necessary actions within its powers to assure delivery of the bonds.

PLANNING AND ZONING

The Town has a seven-member Plan Commission to provide orderly growth for residential, commercial, and industrial areas within the Town and a two-mile jurisdiction surrounding its limits. The Town also has a five-member Board of Zoning Appeals.

EDUCATION

The Yorktown Community School Corporation (the “School Corporation”) serves residents of the Town, operating one high school, one middle school, and two elementary schools. The superintendent’s office reports 2017 – 2018 enrollment for the School Corporation at 2,592 students, with approximately 143 certified and 178 non-certified employees.

HIGHER EDUCATION

Ball State University (the “University”) is located in Muncie on 1,035 acres and has an enrollment of approximately 19,000 graduate and undergraduate students. Seven academic colleges and graduate schools offer 178 bachelor’s, seven associate’s, two specialist’s, and 16 doctoral degrees along with 99 Master’s programs. In addition, Indiana Business College and Ivy Tech State College maintain campuses in Muncie.

Higher education opportunities in the surrounding area include Anderson University, which is approximately 11 miles southwest of the Town, Taylor University, which is approximately 20 miles north of the Town, and Indiana Wesleyan University, which is approximately 32 miles north of the Town. Within commuting distances are Butler University, University of Indianapolis, and Indiana University-Purdue University Indianapolis, which are all located in Indianapolis.

PENSION OBLIGATIONS

Public Employees’ Retirement Fund

Plan Description

The Indiana Public Employees’ Retirement Fund (PERF) is a defined benefit pension plan. PERF is a cost-sharing multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. All full-time employees are eligible to participate in this defined benefit plan. State statutes (IC 5-10.2 and 5-10.3) govern, through the Indiana Public Retirement System (INPRS) Board, most requirements of the system, and give the Town authority to contribute to the plan. The PERF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member’s annuity savings account. The annuity savings account consists of members’ contributions, set by state statute at 3 percent of compensation, plus the interest credited to the member’s account. The employer may elect to make the contributions on behalf of the member.

INPRS administers the plan and issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole and for its participants. That report may be obtained by contacting:

Indiana Public Retirement System
One North Capitol, Suite 001
Indianapolis, IN 46204
Ph. (888) 526-1687

Funding Policy and Annual Pension Cost

The contribution requirements of the plan members for PERF are established by the Board of Trustees of INPRS.

Employer contributions for the years 2016 and 2017 were \$217,452 and \$227,562, respectively.

Additional Benefits

Employees may also enroll in the Town’s 457 deferred compensation plan. Employer contributions for the years 2016 and 2017 were \$12,500 and \$8,425, respectively.

Other Postemployment Benefits

Retirees, not including spouses, may remain on the Town’s dental, vision, disability, life, and health insurance upon retirement. There are currently two retirees receiving benefits. Employer contributions for the years 2016 and 2017 were \$19,154 and \$19,154, respectively.

Additionally, the Town compensates retirees for accumulated personal and vacation days.

The following information is an excerpt from the Town’s most recent actuarial report, completed by Nyhart, which was for the fiscal year ended December 31, 2016. A complete copy may be obtained by contacting the Town.

| | |
|---|------------------|
| | <u>FY 2017*</u> |
| Total OPEB Liability as of beginning of year | \$331,863 |
| Normal cost as of beginning of year | 14,657 |
| Expected benefit payments during the year | (19,154) |
| Interest adjustment to end of year | <u>12,841</u> |
| Expected Total OPEB Liability as of end of year | <u>\$340,207</u> |

*Based on the 2016 actuarial report, the future liability projection shows what the actuary expects the total OPEB liability to be at the beginning of the following fiscal year based on current assumptions and plan provisions. The expected end of year Total OPEB Liability (“TOL”) would have changed as actual plan experience varies from assumptions. Generally, the TOL is expected to have a net increase each year.

Presented below is the summary of estimated GASB 75 liabilities and expenditures for the fiscal year ending December 31, 2016.

| | |
|---|------------------------------------|
| <u>Enrollment Information</u> | <u>As of December 31, 2016</u> |
| Number of Employees Receiving Health Insurance | 29 |
| Number of Retirees with Coverage | 2 |
| <u>Estimated Expenditures</u> | <u>FY 2016</u> |
| Expenditures Paid by Town for Retiree Benefits (Explicit Subsidy) | \$11,013 |
| Additional Expenditures Due to Retirees in the Insurance Group | <u>8,141</u> |
| Total Estimated Expenditures | <u>\$19,154</u> |
| <u>Liability Information</u> | <u>As of December 31, 2016</u> |
| Total OPEB Liability | \$331,863 |
| Plan Fiduciary Net Position | <u>0</u> |
| Net OPEB Liability | <u>\$331,863</u> |
| Funded Ratio | 0.0% |

GENERAL ECONOMIC AND FINANCIAL INFORMATION

COMMERCE AND INDUSTRY

According to the Muncie-Delaware County, Indiana Economic Development Alliance (the “EDA”), the County and the City of Muncie are home to a variety of industries including manufacturing, information technology, logistics and distribution, alternative energy, and food processing. Companies have access to the County’s skilled and educated workforce as well as a transportation network that includes four-lane access to Interstates 69 and 70, CCX and Norfolk Southern rail lines, and three airports located within a 90-minute drive.

The two largest employers in the County are Ball State University and IU Health Ball Memorial Hospital (the “Hospital”), formerly Ball Memorial Hospital. Established in 1899, Ball State University is the largest employer in the County and currently employs approximately 3,367, according to the EDA. The Hospital was established in Muncie in 1929 and currently employs approximately 2,931, according to the EDA.

Formerly known as Sallie Mae, Navient is the nation’s leading student loan provider and has operated in Muncie since 2006. According to the EDA, the company employs approximately 650. In November 2013, Navient constructed a 20,200 square-foot building extension to its call center as part of a \$5 million expansion.

Meridian Services is a behavioral rehabilitation center that has provided outpatient and partial hospitalization care services in the area since 1976. According to the EDA, Meridian Services employs approximately 517 workers.

In July 2018, the Muncie Redevelopment Commission announced its partnership with New Jersey-based Sora Northeast LLC to construct a \$75 million riverfront mixed-use development spanning several blocks in downtown Muncie. The redevelopment project is expected to include commercial and residential amenities, including restaurants, offices, and approximately 77 apartments. The City of Muncie committed \$9 million of the total project cost.

The Central City Leadership Team announced in July 2018 the creation of Next Muncie, a long-term redevelopment effort to revitalize the City of Muncie. The public and private figures spearheading the program include Ball State University’s president Geoffrey Mearns, the City of Muncie’s mayor Dennis Tyler, and several corporate leaders. According to Muncie’s local newspaper, the Star Press, Next Muncie will focus on the area’s Opportunity Zones, which are government-designated areas that receive federal funding. Additionally, the newspaper reports that Ivy Tech is expanding to attract approximately 2,500 students to the area.

According to Inside Indiana Business in July 2018, First Merchants Corporation reported its highest quarter net income in the company’s 125 year history. The company reported approximately \$40 million in net income during the second quarter of 2018. According to the EDA, the company currently employs approximately 516.

In July 2018, Newell Brands, Inc. announced that it would be closing its Muncie facility by the summer of 2019. The facility manufactures lids for the historic Ball Mason jars and currently employs approximately 100 workers, according to Inside Indiana Business. The company’s manufacturing operations will be moved to a plant in Columbus, Ohio while packaging and distribution will be moved to Fishers, Indiana.

In June 2018, Inside Indiana Business reported that WESCO Distribution plans to expand its Delaware County presence, which stretches back to the 1950s. The company plans to expand into a 50,000 square-foot shell building and employ approximately 30 over the next five years. The Pennsylvania-based company has additional facilities throughout Indiana, including in Elkhart, Evansville, Indianapolis, and South Bend.

In April 2018, the Star Press reported that sections of Interstate 69 between Pendleton and Anderson, Indiana would be undergoing a \$79 million renovation to repair numerous potholes and widen the highway.

In 2017, Kitselman Pure Energy Park (KPEP) began construction of a \$60 million rehabilitation project at the former Indiana Steel & Wire property. The land will be used to create a mixed-use development in Muncie, which will include a five-megawatt solar power plant, a community center with educational classrooms, headquarters for DD Dannar, and a mid-sized hotel. The development is part of the larger Kitselman Gateway initiative, which includes the State Highway 32 bridge replacement, the Kitselman Trailhead development, and the redevelopment and installation of historic Bridge 85.

The Town continues to see growth in the residential sector; 50 new homes were built in 2018, and two new subdivisions are currently under construction

LARGE EMPLOYERS

Below is a list of the County's largest employers. The number of employees shown are as reported by the EDA, unless otherwise noted. Because of reporting time lags and other factors inherent in collecting and reporting such information, the statistics may not reflect recent employment levels.

| <u>Name</u> | <u>Year Established</u> | <u>Type of Business</u> | <u>Reported Employment</u> |
|-------------------------------------|-----------------------------|---------------------------|--------------------------------|
| Ball State University | 1899 | Higher education | 3,367 |
| IU Health Ball Memorial Hospital | 1929 | Acute health care | 2,931 |
| Navient | 2006 | Student loans | 650 |
| Wal-Mart | | Retail | 597 (1) |
| Magna Powertrain of America, Inc. | | Automotive supplier | 585 |
| Concentrix | | Customer call center | 550 |
| Muncie Community School Corporation | | Public education | 538 (2) |
| Meridian Health Services | 1976 | Behavioral health care | 517 |
| First Merchants Corporation | | Financial services | 516 |
| Progress Rail | | Rail and transit products | 500 |

(1) Consists of two locations.

(2) Per the School Corporation, includes 368 certified and 170 non-certified staff.

EMPLOYMENT

| <u>Year</u> | <u>Unemployment Rate</u> | | <u>Delaware County Labor Force</u> |
|-------------|----------------------------|----------------|--|
| | <u>Delaware County</u> | <u>Indiana</u> | |
| 2013 | 8.6% | 7.7% | 54,167 |
| 2014 | 7.0% | 6.0% | 53,553 |
| 2015 | 5.7% | 4.8% | 54,442 |
| 2016 | 5.1% | 4.4% | 55,054 |
| 2017 | 4.2% | 3.5% | 55,024 |
| 2018, July | 4.1% | 3.5% | 55,804 |

Source: Indiana Business Research Center. Data collected as of August 20, 2018.

BUILDING PERMITS

Provided below is a summary of the number of building permits and estimated construction costs for the Town.

| <u>Year</u> | <u>Residential</u> | |
|-------------|--------------------------|----------------------------|
| | <u>Total Permits</u> | <u>Estimated Costs</u> |
| 2013 | 140 | \$6,466,000 |
| 2014 | 220 | 5,326,000 |
| 2015 | 135 | 5,391,000 |
| 2016 | 171 | 6,368,000 |
| 2017 | 170 | 8,738,000 |

Source: Town of Yorktown Building and Zoning Department.

POPULATION

| <u>Year</u> | <u>Town of Yorktown</u> | | <u>Delaware County</u> | |
|-------------|-------------------------|--------------------------|------------------------|--------------------------|
| | <u>Population</u> | <u>Percent of Change</u> | <u>Population</u> | <u>Percent of Change</u> |
| 1970 | 1,673 | 47.14% | 129,219 | 16.48% |
| 1980 | 3,945 | 135.80% | 128,587 | -0.49% |
| 1990 | 4,106 | 4.08% | 119,659 | -6.94% |
| 2000 | 4,785 | 16.54% | 118,769 | -0.74% |
| 2010 | 9,405 | 96.55% | 117,671 | -0.92% |
| 2017, Est. | 11,199 | 19.07% | 115,184 | -2.11% |

Source: U.S. Census Bureau

AGE STATISTICS

| | <u>Town of Yorktown</u> | <u>Delaware County</u> |
|-------------------|-------------------------|------------------------|
| Under 25 Years | 3,048 | 46,222 |
| 25 to 44 Years | 2,152 | 25,801 |
| 45 to 64 Years | 2,604 | 28,371 |
| 65 Years and Over | 1,601 | 17,277 |
| Totals | <u>9,405</u> | <u>117,671</u> |

Source: U.S. Census Bureau's 2010 Census

EDUCATIONAL ATTAINMENT

| <u>Years of School Completed</u> | <u>Persons 25 and Over</u> | |
|----------------------------------|----------------------------|------------------------|
| | <u>Town of Yorktown</u> | <u>Delaware County</u> |
| Less than 9th grade | 1.4% | 2.8% |
| 9th to 12th grade, no diploma | 2.8% | 7.7% |
| High school graduate | 33.4% | 35.6% |
| Some college, no degree | 22.6% | 22.0% |
| Associate's degree | 10.3% | 8.6% |
| Bachelor's degree | 19.1% | 13.5% |
| Graduate or professional degree | 10.4% | 9.8% |

Source: U.S. Census Bureau's 2012-2016 American Community Survey 5-Year Estimates

MISCELLANEOUS ECONOMIC INFORMATION

| | <u>Town of Yorktown</u> | <u>Delaware County</u> | <u>Indiana</u> |
|--|-----------------------------|----------------------------|------------------|
| Per capita income, past 12 months* | \$28,417 | \$21,566 | \$26,117 |
| Median household income, past 12 months* | \$55,398 | \$39,537 | \$50,433 |
| Average weekly earnings in manufacturing (4th qtr. of 2017) | N/A | \$994 | \$1,186 |
| Land area in square miles - 2010 | 8.78 | 392.12 | 35,826.11 |
| Population per land square mile - 2010 | 1,071.2 | 300.1 | 181.0 |
| Retail sales in 2012: | | | |
| Total retail sales | \$11,790,000 | \$1,519,887,000 | \$85,857,962,000 |
| Sales per capita** | \$1,254 | \$12,916 | \$13,242 |
| Sales per establishment | \$842,143 | \$3,551,138 | \$3,974,722 |

*In 2016 inflation-adjusted dollars – 5-year estimates

**Based on 2010 Population.

Source: Bureau of Census Reports and the Indiana Business Research Center. Data collected as of August 20, 2018.

| <u>Employment and Earnings - Delaware County 2016</u> | <u>Earnings (In 1,000s)</u> | <u>Percent of Earnings</u> | <u>Labor Force</u> | <u>Distribution of Labor Force</u> |
|---|---------------------------------|--------------------------------|--------------------|--|
| Services | \$1,041,063 | 39.38% | 25,716 | 43.09% |
| Government | 594,531 | 22.49% | 11,219 | 18.80% |
| Wholesale and retail trade | 293,331 | 11.09% | 8,705 | 14.59% |
| Manufacturing | 290,886 | 11.00% | 4,479 | 7.51% |
| Finance, insurance, and real estate | 167,337 | 6.33% | 4,395 | 7.36% |
| Construction | 120,132 | 4.54% | 2,338 | 3.92% |
| Transportation and warehousing | 81,528 | 3.08% | 1,463 | 2.45% |
| Utilities | 20,583 | 0.78% | 169 | 0.28% |
| Information | 19,271 | 0.73% | 402 | 0.67% |
| Farming | 11,251 | 0.43% | 639 | 1.07% |
| Other* | 3,993 | 0.15% | 154 | 0.26% |
| Totals | \$2,643,906 | 100.00% | 59,679 | 100.00% |

*In order to avoid disclosure of confidential information, specific earnings and employment figures are not available for the Forestry, fishing, related activities, and Mining Sectors. The data is incorporated here.

Source: Bureau of Economic Analysis and the Indiana Business Research Center. Data collected as of May 2, 2018.

| <u>Adjusted Gross Income</u> | <u>Year</u> | <u>Delaware County Total</u> |
|------------------------------|-------------|--------------------------------------|
| | 2011 | \$1,888,520,412 |
| | 2012 | 1,968,535,943 |
| | 2013 | 1,966,912,032 |
| | 2014 | 2,034,947,222 |
| | 2015 | 2,122,521,980 |

Source: Indiana Department of Revenue

SCHEDULE OF INDEBTEDNESS

The following schedule shows the outstanding indebtedness of the Town and the taxing units within and overlapping its jurisdiction as of August 20, 2018, including issuance of the Bonds, as reported by the respective taxing units.

| <u>Direct Debt</u> | <u>Original Par Amount</u> | <u>Final Maturity</u> | <u>Outstanding Amount</u> |
|--|--------------------------------|--|---|
| Tax Supported Debt | | | |
| Ad Valorem Property Tax Lease Rental Bonds of 2018 | \$4,940,000 * | 07/15/38 | \$4,940,000 * |
| General Obligation Bonds of 2008 | 1,975,000 | 01/15/28 | 1,145,000 |
| Economic Development Lease Rental Refunding Bonds, Series 2015 | 1,160,000 | 08/01/29 | 945,000 |
| Redevelopment District Bonds of 2009 | 1,500,000 | 01/15/29 | 1,070,000 |
| Town Hall BOT Lease Agreement | 2,799,998 | 01/15/38 | 2,751,076 |
| Snow Plows 2016 (Capital Lease) | 111,999 | 07/02/23 | 81,914 |
| Fire Dept Turn-Out Gear 2018 (Capital Lease) | 168,805 | 08/01/23 | 168,805 |
| Fire Dept Aerial Fire Truck Loan 2015 | 350,001 | 07/15/27 | 274,453 |
| Subtotal | | | <u>11,376,248</u> |
| Self-Supporting Revenue Debt | | | |
| Sewage Works Refunding Revenue Bonds of 2017 | 2,735,000 | 03/01/29 | 2,550,000 |
| Waterworks Revenue Bonds of 2014 | 1,200,000 | 01/01/35 | 1,194,000 |
| Waterworks Refunding Revenue Bonds of 2010 | 880,500 | 01/01/19 | 63,600 |
| Subtotal | | | <u>3,807,600</u> |
| Total Direct Debt | | | <u>\$15,183,848</u> |
| | | | |
| <u>Overlapping Debt</u> | <u>Total Debt</u> | <u>Percent Allocable to Town (1)</u> | <u>Amount Allocable to Town</u> |
| Tax Supported Debt | | | |
| Delaware County | \$29,499,700 | 9.28% | \$2,737,572 |
| Yorktown Community Schools (2) | 5,621,967 | 68.33% | 3,841,490 |
| Muncie Sanitary District | 1,306,066 | 2.94% | 38,398 |
| Tax Supported Debt | | | <u>6,617,460</u> |
| Self-Supporting Revenue Debt | | | |
| Muncie Sanitary District | 138,682,394 | 2.94% | 4,077,262 |
| Self-Supporting Revenue Debt | | | <u>4,077,262</u> |
| Total Overlapping Debt | | | <u>\$10,694,722</u> |

*Preliminary, subject to change.

(1) Based upon the 2017 payable 2018 net assessed valuation of the respective taxing units.

(2) Yorktown Community Schools anticipates issuing \$5,000,000 of Ad Valorem Property Tax First Mortgage Bonds in Fall 2018.

Note: Yorktown Public Library anticipates issuing \$1,400,000 of General Obligation Bonds in early 2019.

The schedule presented above is based on information furnished by the obligors or other sources and is deemed reliable. The Town makes no representation or warranty as to its accuracy or completeness. The Town anticipates issuing approximately \$4 million of property tax bonds for the Central Green Project in 2019 and approximately \$3 million of property tax bonds for the Morrow's Meadow Overlook Project in 2020. Also, the Town anticipates issuing capital leases for public safety vehicles. The Town may consider issuing debt in connection with economic development projects as they may occur.

DEBT RATIOS

The following presents the ratios relative to the tax supported indebtedness of the taxing units within and overlapping the Town as of August 20, 2018, including issuance of the Bonds.

| | Direct Tax Supported Debt* | Allocable Portion of All Other Overlapping Tax Supported Debt | Total Direct and Overlapping Tax Supported Debt* |
|---|-------------------------------|--|--|
| | <u>\$11,376,248</u> | <u>\$6,617,460</u> | <u>\$17,993,708</u> |
| Per capita (1) | \$1,015.83 | \$590.90 | \$1,606.72 |
| Percent of net assessed valuation (2) | 3.56% | 2.07% | 5.62% |
| Percent of gross assessed valuation (3) | 1.87% | 1.09% | 2.95% |

*Preliminary, subject to change.

- (1) According to the U.S. Census Bureau, the estimated 2017 population of the Town is 11,199.
- (2) The net assessed valuation of the Town for taxes payable in 2018 is \$319,912,301 according to the Delaware County Auditor's office.
- (3) The gross assessed valuation of the Town for taxes payable in 2018 is \$609,361,000 according to the Delaware County Auditor's office.

SCHEDULE OF HISTORICAL NET ASSESSED VALUATION

(As Provided by the Delaware County Auditor's Office)

| <u>Year</u> <u>Payable</u> | <u>Real Estate</u> | <u>Utilities</u> | <u>Personal</u> <u>Property</u> | <u>Total</u> <u>Taxable Value</u> |
|-------------------------------|--------------------|------------------|------------------------------------|--------------------------------------|
| 2014 | \$276,493,589 | \$3,364,120 | \$11,304,670 | \$291,162,379 |
| 2015 | 282,712,401 | 3,583,060 | 12,228,280 | 298,523,741 |
| 2016 | 291,605,939 | 3,505,080 | 12,084,160 | 307,195,179 |
| 2017 | 296,094,049 | 4,469,630 | 12,188,980 | 312,752,659 |
| 2018 | 304,316,081 | 3,946,200 | 11,650,020 | 319,912,301 |
| 2019 | | | | 333,176,785 (1) |

(1) Represents the certified net assessed valuation per the Department of Local Government Finance (the "DLGF").

NOTE: Net assessed valuations represent the assessed value less certain deductions for mortgages, veterans, the aged and the blind, as well as tax-exempt property.

Real property is valued for assessment purposes at its true tax value as defined in the Real Property Assessment Rule, 50 IAC 2.4, the 2011 Real Property Assessment Manual ("Manual"), as incorporated into 50 IAC 2.4, and the 2011 Real Property Assessment Guidelines ("Guidelines"), as adopted by the DLGF. In the case of agricultural land, true tax value is the value determined in accordance with the Guidelines adopted by the DLGF and IC 6-1.1-4-13. In the case of all other real property, true tax value is defined as "the market value-in-use of a property for its current use, as reflected by the utility received by the owner or by a similar user, from the property."

P.L. 180-2016 revises the factors used to calculate the assessed value of agricultural land. This legislation is retroactive to the January 1, 2016 assessment date and applies to each assessment date thereafter. The revised factors enacted in the legislation may reduce the total assessed value of agricultural land, which could shift property tax liability from agricultural property owners to other property owners. In addition, the reduction in the assessed value of agricultural land may result in a reduction of the total assessed value of a Town. Lower assessed values of a Town may result in higher tax rates in order for a Town to receive its approved property tax levy.

Real property assessments are annually adjusted to market value based on sales data. The process of adjusting real property assessments to reflect market values has been termed "trending" by the DLGF.

The Manual permits assessing officials in each county to choose any acceptable mass appraisal method to determine true tax value, taking into consideration the ease of administration and the uniformity of the assessments produced by that method. The Guidelines were adopted to provide assessing officials with an acceptable appraisal method, although the Manual makes it clear that assessing officials are free to select from any number of appraisal methods, provided that they produce accurate and uniform values throughout the jurisdiction and across all classes of property. The Manual specifies the standards for accuracy and validation that the DLGF uses to determine the acceptability of any alternative appraisal method.

DETAIL OF NET ASSESSED VALUATION

Assessed 2017 for Taxes Payable in 2018

(As Provided by the Delaware County Auditor's Office)

| | <u>Town of Yorktown</u> | <u>Yorktown Annex</u> | <u>Yorktown Sanitary</u> | <u>Total</u> |
|---|-----------------------------|----------------------------|------------------------------|-----------------------------|
| Gross Value of Land | \$55,867,100 | \$30,260,700 | \$17,691,500 | \$103,819,300 |
| Gross Value of Improvements | <u>256,002,000</u> | <u>145,500,100</u> | <u>87,869,000</u> | <u>489,371,100</u> |
| Total Gross Value of Real Estate | 311,869,100 | 175,760,800 | 105,560,500 | 593,190,400 |
| Less: Mortgage Exemptions, Veterans, Blind Age 65 & Other Exemptions | (136,838,573) | (84,207,409) | (46,806,059) | (267,852,041) |
| Tax Exempt Property | (5,985,280) | (3,793,570) | (4,399,000) | (14,177,850) |
| TIF | <u>(5,369,142)</u> | <u>(1,335,606)</u> | <u>(139,680)</u> | <u>(6,844,428)</u> |
| Net Assessed Value of Real Estate | <u>163,676,105</u> | <u>86,424,215</u> | <u>54,215,761</u> | <u>304,316,081</u> |
| Business Personal Property | 10,527,800 | 1,370,260 | 326,340 | 12,224,400 |
| Less: Deductions | <u>(526,340)</u> | <u>(7,770)</u> | <u>(40,270)</u> | <u>(574,380)</u> |
| Net Assessed Value of Personal Property | <u>10,001,460</u> | <u>1,362,490</u> | <u>286,070</u> | <u>11,650,020</u> |
| Net Assessed Value of Utility Property | <u>3,862,900</u> | <u>83,300</u> | <u>0</u> | <u>3,946,200</u> |
| Total Net Assessed Value | <u><u>\$177,540,465</u></u> | <u><u>\$87,870,005</u></u> | <u><u>\$54,501,831</u></u> | <u><u>\$319,912,301</u></u> |

COMPARATIVE SCHEDULE OF CERTIFIED TAX RATES

Per \$100 of Net Assessed Valuation

| | Year Taxes Payable | | | | |
|--------------------------------|--------------------|-----------------|-----------------|-----------------|-----------------|
| | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> |
| Detail of Certified Tax Rate: | | | | | |
| General | \$0.4280 | \$0.4574 | \$0.3519 | \$0.3133 | \$0.5005 |
| Community Services | 0.0196 | 0.0224 | 0.0266 | 0.0261 | 0.0254 |
| Motor Vehicle Highway | 0.0112 | 0.0359 | 0.0811 | 0.1427 | 0.0945 |
| Fire | 0.0992 | 0.0875 | 0.1133 | 0.1133 | 0.0404 |
| Cumulative Fire Special | 0.0098 | 0.0074 | 0.0055 | 0.0042 | 0.0042 |
| Park & Recreation | 0.1835 | 0.1461 | 0.1784 | 0.1667 | 0.1539 |
| Cumulative Capital Development | 0.0183 | 0.0183 | 0.0183 | 0.0183 | 0.0183 |
| Cemetery | 0.0064 | 0.0010 | 0.0009 | | 0.0018 |
| | <u>\$0.7760</u> | <u>\$0.7760</u> | <u>\$0.7760</u> | <u>\$0.7846</u> | <u>\$0.8390</u> |
| Totals | <u>\$0.7760</u> | <u>\$0.7760</u> | <u>\$0.7760</u> | <u>\$0.7846</u> | <u>\$0.8390</u> |

Total District Certified Tax Rate (1)

| | | | | | |
|-------------------|----------|----------|----------|----------|----------|
| Town of Yorktown | \$2.7294 | \$2.6376 | \$2.7411 | \$2.6255 | \$2.7131 |
| Yorktown Annex | \$2.7451 | \$2.6594 | \$2.7644 | \$2.6566 | \$2.7131 |
| Yorktown Sanitary | \$3.2254 | \$3.1494 | \$3.2671 | \$3.1811 | \$3.2546 |

(1) Includes certified tax rates of overlapping taxing units.

Source: DLGF Certified Budget Orders for the Town.

PROPERTY TAXES LEVIED AND COLLECTED

| Collection Year | Certified Taxes Levied | Circuit Breaker Tax Credit (1) | Certified Taxes Levied Net of Circuit Breaker Tax Credit | Taxes Collected | Collected as Percent of Gross Levy | Collected as Percent of Net Levy |
|-----------------|------------------------|-----------------------------------|--|--------------------------------------|------------------------------------|----------------------------------|
| 2013 | \$2,293,230 | (\$256,833) | \$2,036,397 | \$2,086,189 | 90.97% | 102.45% |
| 2014 | 2,391,415 | (271,188) | 2,120,227 | 2,107,157 | 88.11% | 99.38% |
| 2015 | 2,420,017 | (242,414) | 2,177,603 | 2,189,436 | 90.47% | 100.54% |
| 2016 | 2,533,272 | (293,045) | 2,240,227 | 2,235,901 | 88.26% | 99.81% |
| 2017 | 2,608,221 | (258,926) | 2,349,295 | 2,319,063 | 88.91% | 98.71% |
| 2018 | 2,785,745 | (317,615) | 2,468,130 | (-----In Process of Collection-----) | | |

Source: The Delaware County Auditor's Office and the DLGF Certified Budget Orders for the Town.

(1) Circuit Breaker Tax Credits allocable to the Town per the DLGF and Delaware County Abstracts.

Indiana Code 6-1.1-20.6 (the "Statute") provides taxpayers with a tax credit for all property taxes in an amount that exceeds the gross assessed value of real and personal property eligible for the credit ("Circuit Breaker Tax Credit").

Property taxes for residential homesteads are limited to 1.0% of the gross assessed value of the homestead; property taxes for agricultural, other residential property and long term care facilities are limited to 2.0% of their gross assessed value; and property taxes for all other real and personal property are limited to 3.0% of gross assessed value. Additional property tax limits have been made available to certain senior citizens. School corporations are authorized to impose a referendum tax levy to replace property tax revenue that the school corporation will not receive due to the Circuit Breaker Tax Credit. Other political subdivisions may not increase their property tax levy or borrow money to make up for any property tax revenue shortfall due to the application of the Circuit Breaker Tax Credit.

The Statute categorizes property taxes levied to pay Debt Service Obligations as "protected taxes," regardless of whether the property taxes were approved at a referendum, and all other property taxes as "unprotected taxes." The total amount of revenue to be distributed to the fund for which the protected taxes were imposed shall be determined without applying the Circuit Breaker Tax Credit. The application of the Circuit Breaker Tax Credit must reduce only the amount of unprotected taxes distributed to a fund. The political subdivision may allocate the reduction by using a combination of unprotected taxes of the political subdivision in those taxing districts in which the Circuit Breaker Tax Credit caused a reduction in protected taxes. The tax revenue and each fund of any other political subdivisions must not be affected by the reduction.

LARGE TAXPAYERS

The following is a list of the ten largest taxpayers located within the Town.

| <u>Name</u> | <u>Type of Business</u> | <u>2017/2018 Net Assessed Valuation</u> | <u>Percent of Total Net Assessed Valuation (1)</u> |
|--|---|---|--|
| Marsh Supermarkets, Inc. (2) | Perishable food warehouses, convenience stores, and realty | \$7,929,610 | 2.48% |
| American Heritage Partners LLC (3) | Nursing home | 3,826,500 | 1.20% |
| Townsend Tree Service Co., Inc. (3) | Landscaping | 3,084,800 | 0.96% |
| Indiana Michigan Power | Electric utility | 2,905,310 | 0.91% |
| TK Constructors, Inc. (3) | Home builder | 2,053,640 | 0.64% |
| Staylock Storage IN LLC (3) | Storage facility | 1,965,400 | 0.61% |
| Assured Property Management | General contractor/developer | 1,950,000 | 0.61% |
| Miasa Automotive | Mfg. automotive components | 1,817,530 | 0.57% |
| Primary Care of Delaware County (3) | Health care facility | 1,491,900 | 0.47% |
| Cammack LLC/Environmental Construction, Inc. | Utility contractor | <u>1,444,645</u> | <u>0.45%</u> |
| Totals | | <u><u>\$28,469,335</u></u> | <u><u>8.90%</u></u> |

(1) The total net assessed valuation of the Town is \$319,912,301 for taxes payable in 2018, according to the Delaware County Auditor's office.

(2) Marsh Supermarkets filed Chapter 11 bankruptcy on May 11, 2017. (Property taxes continue to be paid.)

(3) Located in a tax increment allocation area ("TIF"); therefore, all or a portion of the taxes are captured as TIF and not distributed to individual taxing units.

Source: County Auditor's office and the DLGF. Individual parcel data is submitted by the County Auditor to the DLGF once a year for preparation of the county abstract.

Note: The following financial statement is an excerpt from the Town's January 1, 2013 to December 31, 2015 audit of the Indiana State Board of Accounts. Consequently, these schedules do not include all disclosures required by generally accepted accounting principles. A complete audit will be furnished upon request. Current reports are available at <http://www.in.gov/sboa/resources/reports/audit/>.

TOWN OF YORKTOWN

**STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS**

For The Year Ended December 31, 2015

| <u>Fund</u> | <u>Beginning Balance 1/1/2015</u> | <u>Receipts</u> | <u>Disbursements</u> | <u>Ending Balance 12/31/2015</u> |
|---------------------------------------|---|---------------------|----------------------|--|
| General | \$675,300 | \$2,426,223 | \$2,084,487 | \$1,017,036 |
| MVH | 453,096 | 632,944 | 752,591 | 333,449 |
| LRS | 54,791 | 81,535 | 88,792 | 47,534 |
| Law Enforcement Continuing Ed | 18,118 | 9,424 | 4,540 | 23,002 |
| Clark's Records Perpetuation | 23,574 | 1,858 | 9,420 | 16,012 |
| Parks and Recreation | 200,586 | 524,309 | 479,243 | 245,652 |
| Rainy Day | 26,914 | | | 26,914 |
| Cumulative Capl Imprv Cigarette Tax | 177,514 | 23,623 | 92,208 | 108,929 |
| CCD | 206,965 | 54,383 | 230,000 | 31,348 |
| York Constr Retainage Fund | 87,497 | | 87,497 | 0 |
| EDIT Fund | 150,000 | | | 150,000 |
| RDC TIF #2 | 43,429 | 11,209 | 53,856 | 782 |
| RDC TIF #3 | 41,515 | 42,958 | 53,513 | 30,960 |
| Community Assistance | 27,546 | 90,332 | 101,145 | 16,733 |
| Mt Pleasant Twp Fire Debt | 5,413 | 57,599 | 69,950 | (6,938) |
| Fire Dept Fund | 341,457 | 356,010 | 450,254 | 247,213 |
| Court Mutual Bank | 0 | 1 | 36 | (35) |
| Cum Fire Equipment | 688,114 | 379,898 | 946,839 | 121,173 |
| Cemetery Operating | 21,252 | 6,447 | 3,287 | 24,412 |
| Donations | 290 | | | 290 |
| DARE | 198 | | 198 | 0 |
| Economic Develop Area 1 | 501,304 | 141,762 | 238,400 | 404,666 |
| Court Cost Due County | 0 | 11,890 | 11,890 | 0 |
| User Fee-Local Law Enf Con Ed | 5,105 | 551 | 3,110 | 2,546 |
| Economic Dev Area 2 | 147,013 | | | 147,013 |
| River Rd Trail Project | (32,818) | 86,822 | 368,613 | (314,609) |
| Payroll | 101,651 | 1,844,511 | 1,931,751 | 14,411 |
| Township General | 71,509 | | | 71,509 |
| Township Cumulative Fire | 70,035 | | | 70,035 |
| Town Court | 44,669 | 94,600 | 139,269 | 0 |
| Wastewater Utility- Operating | 748,173 | 1,385,936 | 1,391,152 | 742,957 |
| Park One Wastewater Utility Operating | (238,134) | 126,908 | 34,933 | (146,159) |
| Wastewater Utility- Bond And Interest | 263,353 | 321,101 | 316,088 | 268,366 |
| Wastewater Utility- Deprec/Improve | 464,224 | 105,680 | 3,786 | 566,118 |
| Sewer Debt Reserve | 327,050 | | | 327,050 |
| Town SRF Water Well #4 | (8,962) | 16,331 | 16,293 | (8,924) |
| State SRF Water Well #4 | 0 | 976,000 | 976,000 | 0 |
| Water Utility- Operating | 1,202,976 | 886,969 | 830,456 | 1,259,489 |
| Park One Water Utility Operating | 16,309 | 34,164 | 85,174 | (34,701) |
| Water Utility- Bond And Interest | 86,587 | 137,447 | 161,306 | 62,728 |
| Water Utility- Deprec/Improve | 147,270 | 36,000 | | 183,270 |
| Water Utility- Customer Deposit | 18,824 | 7,785 | 6,967 | 19,642 |
| Totals | \$7,179,707 | \$10,913,210 | \$12,023,044 | \$6,069,873 |

Note: The following financial statements on pages A-17 - A-18 are excerpts from the Town's January 1, 2016 to December 31, 2017 audit of the Indiana State Board of Accounts. Consequently, these schedules do not include all disclosures required by generally accepted accounting principles. A complete audit will be furnished upon request. Current reports are available at <http://www.in.gov/sboa/resources/reports/audit/>.

TOWN OF YORKTOWN

**STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS**

For The Year Ended December 31, 2016

| <u>Fund</u> | Beginning | <u>Receipts</u> | <u>Disbursements</u> | Ending |
|---|--------------------|---------------------|----------------------|--------------------|
| | Balance | | | Balance |
| | 1/1/2016 (1) | | | 12/31/2016 |
| General | \$1,189,409 | \$2,634,291 | \$2,585,691 | \$1,238,009 |
| MVH | 277,767 | 789,033 | 774,714 | 292,086 |
| LRS | 77,001 | 80,679 | | 157,680 |
| Law Enforcement Continuing Ed | 44,002 | 8,894 | 7,602 | 45,294 |
| Clerk's Records Perpetuation | 16,012 | | 16,012 | 0 |
| Parks And Recreation | 247,888 | 754,608 | 704,563 | 297,933 |
| Rainy Day | 26,914 | | | 26,914 |
| LOIT Special Distribution | 0 | 61,710 | | 61,710 |
| Cumulative Capl Imprv Cigarette Tax | 108,929 | 23,971 | 54,000 | 78,900 |
| CCD | 31,396 | 54,737 | | 86,133 |
| EDIT Fund | 150,000 | 353,239 | 188,934 | 314,305 |
| RDC TIF #2 | 782 | 11,561 | | 12,343 |
| LOIT Public Safety | 0 | 196,629 | | 196,629 |
| RDC TIF #3 | 30,960 | 47,295 | 30,000 | 48,255 |
| COMMUNITY ASSISTANCE | 16,065 | 111,968 | 85,535 | 42,498 |
| Mt Pleasant Twp Fire Debt | (6,938) | 61,374 | 71,450 | (17,014) |
| Fire Dept Fund | 247,034 | 458,412 | 496,512 | 208,934 |
| Court Mutual Bank | (35) | 35 | | 0 |
| Cum Fire Equipment | 191,248 | 22,231 | 40,194 | 173,285 |
| Cemetery Operating | 25,313 | 5,142 | 9,525 | 20,930 |
| Donations | 290 | | | 290 |
| Economic Develop Area 1 | 456,524 | 200,181 | 361,343 | 295,362 |
| User Fee-Local Law Enf Con Ed | 2,546 | | | 2,546 |
| Economic Dev Area 2 | 147,013 | | | 147,013 |
| Redevelopment | 12,489 | 120,667 | 121,155 | 12,001 |
| Redevelopment 2015 B Issue | 19,234 | 3 | | 19,237 |
| Redevelopment 2015 B Issue Bond | 2,883 | 104,558 | 102,113 | 5,328 |
| General Obligation 2008 Bonds | 3 | 154,055 | 154,055 | 3 |
| River Rd Trail Project (2) | (314,609) | 269,141 | 95,622 | (141,090) |
| Payroll | 38,386 | 1,824,776 | 1,825,127 | 38,035 |
| Wastewater Utility-Operating | 453,156 | 1,566,866 | 1,525,188 | 494,834 |
| Wastewater Util-Bond And Interest | 206,268 | 294,342 | 325,489 | 175,121 |
| Wastewater Utility-Deprec/Improve | 601,458 | 105,680 | 16,953 | 690,185 |
| Sewer Debt Reserve | 327,050 | | | 327,050 |
| Wastewater Bonds | 1 | 316,838 | 316,838 | 1 |
| Sewage Works 2008 Escrow | 0 | | | 0 |
| Sewage Works 2017 Refunding Revenue Bonds | 0 | | | 0 |
| SRF WATER WELL #4 | (8,924) | 8,924 | | 0 |
| Water Utility-Operating | 1,290,277 | 986,554 | 886,632 | 1,390,199 |
| Water Utility-Bond And Interest | 0 | 167,605 | 167,605 | 0 |
| Water Utility-Depreciation/Improve | 183,270 | 36,000 | | 219,270 |
| Water Utility-Customer Deposit | 19,822 | 7,650 | 7,540 | 19,932 |
| SRF Bond and Interest | 27,694 | 41,103 | 25,601 | 43,196 |
| SRF Debt Reserve | 103,923 | 17,288 | | 121,211 |
| SRF Construction | 0 | 41,434 | 41,434 | 0 |
| Totals | \$6,242,501 | \$11,939,474 | \$11,037,427 | \$7,144,548 |

(1) As described in the Audit, several funds' beginning January 1, 2016 balances were adjusted to more appropriately reflect financial activity of the Town.

(2) Fund set-up for a reimbursable grant.

TOWN OF YORKTOWN

**STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS**

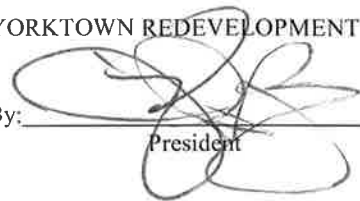
For The Year Ended December 31, 2017

| <u>Fund</u> | Beginning Balance <u>1/1/2017</u> | <u>Receipts</u> | <u>Disbursements</u> | Ending Balance <u>12/31/2017</u> |
|---|---|---------------------|----------------------|--|
| General | \$1,238,009 | \$2,701,886 | \$2,351,469 | \$1,588,426 |
| MVH | 292,086 | 984,383 | 735,826 | 540,643 |
| LRS | 157,680 | 101,634 | | 259,314 |
| Law Enforcement Continuing Ed | 45,294 | 4,770 | 7,454 | 42,610 |
| Clerk's Records Perpetuation | 0 | | | 0 |
| Parks And Recreation | 297,933 | 571,220 | 364,269 | 504,884 |
| Rainy Day | 26,914 | 353,710 | | 380,624 |
| LOIT Special Distribution | 61,710 | 149,511 | 170,041 | 41,180 |
| Cumulative Capl Imprv Cigarette Tax | 78,900 | 22,872 | | 101,772 |
| CCD | 86,133 | 56,754 | | 142,887 |
| EDIT Fund | 314,305 | 267,000 | | 581,305 |
| RDC TIF #2 | 12,343 | 11,230 | 17,993 | 5,580 |
| LOIT Public Safety | 196,629 | | 196,629 | 0 |
| RDC TIF #3 | 48,255 | 37,008 | 66,497 | 18,766 |
| COMMUNITY ASSISTANCE | 42,498 | 109,578 | 82,986 | 69,090 |
| Mt Pleasant Twp Fire Debt | (17,014) | 85,318 | 66,820 | 1,484 |
| Fire Dept Fund | 208,934 | 480,161 | 538,588 | 150,507 |
| Court Mutual Bank | 0 | | | 0 |
| Cum Fire Equipment | 173,285 | 17,636 | 17,906 | 173,015 |
| Cemetery Operating | 20,930 | 3,210 | 9,580 | 14,560 |
| Donations | 290 | | | 290 |
| Economic Develop Area 1 | 295,362 | 156,306 | 323,788 | 127,880 |
| User Fee-Local Law Enf Con Ed | 2,546 | 128 | | 2,674 |
| Economic Dev Area 2 | 147,013 | | | 147,013 |
| Redevelopment | 12,001 | 123,444 | 123,870 | 11,575 |
| Redevelopment 2015 B Issue | 19,237 | 87 | | 19,324 |
| Redevelopment 2015 B Issue Bond | 5,328 | 102,055 | 96,794 | 10,589 |
| General Obligation 2008 Bonds | 3 | 149,945 | 149,915 | 33 |
| River Rd Trail Project | (141,090) | 74,430 | 74,187 | (140,847) |
| Payroll | 38,035 | 1,955,611 | 1,913,078 | 80,568 |
| Wastewater Utility-Operating | 494,834 | 1,757,747 | 2,001,797 | 250,784 |
| Wastewater Util-Bond And Interest | 175,121 | 267,200 | 371,099 | 71,222 |
| Wastewater Utility-Deprec/Improve | 690,185 | 105,680 | 12,899 | 782,966 |
| Sewer Debt Reserve | 327,050 | | | 327,050 |
| Wastewater Bonds | 1 | 238,788 | 238,789 | 0 |
| Sewage Works 2008 Escrow | 0 | 2,968,737 | 74,387 | 2,894,350 |
| Sewage Works 2017 Refunding Revenue Bonds | 0 | 132,320 | 132,312 | 8 |
| SRF WATER WELL #4 | 0 | | | 0 |
| Water Utility-Operating | 1,390,199 | 944,244 | 1,061,251 | 1,273,192 |
| Water Utility-Bond And Interest | 0 | 174,732 | 174,636 | 96 |
| Water Utility-Depreciation/Improve | 219,270 | 36,000 | 6,935 | 248,335 |
| Water Utility-Customer Deposit | 19,932 | 7,605 | 5,433 | 22,104 |
| SRF Bond and Interest | 43,196 | 27,854 | 27,522 | 43,528 |
| SRF Debt Reserve | 121,211 | 14,286 | | 135,497 |
| SRF Construction | 0 | | | 0 |
| Totals | <u>\$7,144,548</u> | <u>\$15,195,080</u> | <u>\$11,414,750</u> | <u>\$10,924,878</u> |


The Authority and Commission certify to the best of their knowledge and belief that this Official Statement, as of its date and as it relates to the Town and its economic and financial condition, (i) is complete and accurate; (ii) does not contain any untrue statement of a material fact; and (iii) does not omit any material facts or information which would make the statements contained herein misleading.

This Official Statement and its execution are duly authorized.

YORKTOWN REDEVELOPMENT AUTHORITY


By: 

President

Attest: 

Secretary

YORKTOWN REDEVELOPMENT COMMISSION

By: 

President

Attest: 

Secretary

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APPENDIX B

SUMMARY OF CERTAIN PROVISIONS OF THE TRUST INDENTURE

The following is a brief summary of certain provisions of the Trust Indenture ("Trust Indenture") and does not purport to describe comprehensively that document in its entirety. Capitalized terms not defined in this summary or elsewhere in this Official Statement shall have the definitions set forth in the Trust Indenture.

Application of Bond Proceeds

Accrued interest, if any, together with proceeds in an amount equal to interest on the Bonds through and including January 15, 2020, will be deposited in the Bond Interest Account of the Construction Fund. Proceeds in an amount equal to the costs of issuance of the Bonds will be deposited in the Bond Issuance Expense Account of the Construction Fund. The remaining proceeds of the Bonds will be deposited in the Construction Account of the Construction Fund and used to pay costs of the construction of the Project, related expenses, and costs of issuance.

Construction Fund, Sinking Fund, Operation and Reserve Fund, and Rebate Fund

There are created under the Trust Indenture the following funds: (1) the Yorktown Redevelopment Authority Construction Fund ("Construction Fund"); (2) the Yorktown Redevelopment Authority Sinking Fund ("Sinking Fund"); (3) the Yorktown Redevelopment Authority Operation and Reserve Fund ("Operation and Reserve Fund"); and (4) the Yorktown Redevelopment Authority Rebate Fund ("Rebate Fund").

The Construction Fund will be used to construct the Project, to pay costs of issuance of the Bonds and to pay capitalized interest. Any moneys remaining in the Construction Fund one year after completion of the Project (except for 150% of the amount of any disputed claims or work to be repaired), will be transferred to the Sinking Fund.

The Trustee shall deposit in the Sinking Fund, from each Lease Rental payment received, the lesser of (1) all of such rental payment or (2) an amount which, when added to the amount already on deposit, equals the sum of the unpaid principal or mandatory sinking fund redemption on the Bonds plus unpaid interest on the Bonds due on, before, or within twenty (20) days from the date of such payment of the Lease Rentals. Any portion of a Lease Rental payment remaining after such deposit and any receipts from sales of personal property shall be deposited by the Trustee in the Operation and Reserve Fund. The Trustee shall from time to time pay from the Sinking Fund the principal of the Bonds at maturity or upon mandatory redemption and the interest as it becomes due.

The Operation and Reserve Fund shall be used only: (a) to pay necessary incidental expenses of the Authority; (b) if the amount in the Sinking Fund at any time is less than the required amount, to transfer funds to the Sinking Fund in an amount sufficient to raise the amount in the Sinking Fund to the required amount; (c) if the Bonds are called for redemption, to pay the principal, interest, and redemption premium; (d) to pay any rebate or penalty; and (e) to purchase Bonds in the open market. The incidental expenses shall be paid by the Trustee upon the presentation of an affidavit executed by two members of the Board of Directors of the Authority together with the creditor's statement as to the amount owing. If the balance in the

Operation and Reserve Fund exceeds \$25,000, the Trustee, at the direction of the Authority, shall transfer any excess to the Sinking Fund to pay debt service due on the Bonds during the next 12 months. Any amount so transferred shall be treated as a credit against the Lease Rentals payable by the Commission during that period.

The Rebate Fund shall be used to pay rebate in order to maintain the exclusion of interest on the Bonds from gross income for federal income tax purposes or to pay the penalty required by Section 148(f)(4)(C)(vii) of the Code. The Trustee shall deposit the required amounts from the Construction Fund, the Operation and Reserve Fund, or investment earnings on the Sinking Fund.

Investment of Funds

The Trustee shall invest the moneys in funds created in the Trust Indenture in (i) obligations of, or guaranteed by, the United States of America, and (ii) other investments permitted by IC 5-13, as amended from time to time. Any income or interest realized upon any such investment during construction shall be deposited in the Construction Account of the Construction Fund. After the filing of the Affidavit of Completion, the interest earnings shall be credited to the Fund or Account from which the moneys were invested. Securities purchased with moneys from the Sinking Fund and Rebate Fund shall mature prior to the time the moneys invested will be needed to pay the amounts which must be paid from such funds. Moneys in the Construction Fund, Sinking Fund, Operation and Reserve Fund and Rebate Fund shall be invested without restriction as to yield during an applicable temporary period pending their use.

Covenants

The Authority covenants, among other things that:

- (a) it has entered into a valid and binding lease of the Project to the Commission, and that a full, true, and correct copy of the Lease is on file with the Trustee;
- (b) it will construct the Project in accordance with plans and specifications as approved by the Commission and will not authorize any changes in the plans and specifications unless all of the following exist: (i) the proposed changes are approved by the Commission, and if the proposed changes will increase the original cost of the Project by an amount over \$125,000, they are approved by the original purchasers of the Bonds; (ii) the proposed changes will not alter the character of the Project nor reduce its value; and (iii) the proposed changes will not increase the cost of the Project in an amount exceeding the uncommitted funds of the Authority, which are not required of completion of the Project, interest on the Bonds during construction, and the payment of incidental expenses;
- (c) it will faithfully perform all provisions contained in each Bond and the Trust Indenture and will punctually pay the principal of, premium, if any, and interest on the Bonds;
- (d) it is duly authorized under the laws of the State of Indiana to create and issue the Bonds, to execute and deliver the Trust Indenture, and to pledge the Lease Rental and other income as provided in the Trust Indenture;

(e) it will promptly make, execute, and deliver all indentures supplemental to the Trust Indenture and to take all action deemed advisable and necessary by the Trustee for the better securing of the Bonds;

(f) it now has or will obtain the interests in the property described in the Lease;

(g) it will maintain the priority of the lien created under the Trust Indenture;

(h) it will maintain proper books and records and: (i) at such times as the Trustee shall reasonably request furnish statements showing earnings, expenses, and financial condition of the Authority and such information as to the property of the Authority; and (ii) within 90 days of each calendar year, file with the Trustee, a certificate signed by officers of the Authority stating that all insurance premiums required under the Trust Indenture have been paid by the Authority and that all taxes then due have been paid, subject to permissible contest;

(i) it will not incur any indebtedness payable from Lease Rentals under the Lease other than the Bonds permitted by the Trust Indenture as long as the Bonds are outstanding;

(j) upon any default in the payment of any Lease Rental as provided in the Lease under which such Lease Rental is due, it will pursue any remedy permitted by law and necessary to collect and enforce the payment of such rentals, including the filing of a suit to mandate the levy of a redevelopment district special benefits tax to pay Lease Rentals;

(k) upon the request of any Bondholder, it will request from the Town the current financial statements of the Town for review by the Bondholder; and

(l) whenever the amounts contained in the Sinking Fund and/or the Operation and Reserve Fund are sufficient to redeem with any applicable premium upon the next redemption date all the Bonds secured by the Trust Indenture then outstanding, the Trustee shall apply the amounts in such Funds to the redemption of the Bonds pursuant to the Trust Indenture.

Tax Covenants

The Authority covenants that, in order to preserve the exclusion of interest on the bonds from gross income for federal income tax purposes and as an inducement to purchasers of the bonds, it represents, covenants and agrees that:

(a) no bond proceeds will be loaned to any nongovernmental entity or person. No bond proceeds will be transferred, directly or indirectly, or deemed transferred to a nongovernmental person in any manner that would in substance constitute a loan of the bond proceeds.

(b) it will, to the extent necessary to preserve the exclusion of interest on the Bonds from gross income for federal income tax purposes, rebate all required arbitrage profits on Bond proceeds or other moneys treated as Bond proceeds or pay the penalty in lieu of rebate to the United States of America and will set aside such moneys in the Rebate Fund to be held by the Trustee in trust for such purpose.

(c) it will not take any action nor fail to take any action with respect to the Bonds that would result in the loss of the exclusion from gross income for federal income tax purposes of interest on the Bonds pursuant to Section 103 of the Code, nor will it act in any other manner which would adversely affect such exclusion.

Insurance

The Authority has covenanted that during construction of the Project, it will carry or cause other persons to carry for its benefit the following kinds of insurance: (a) to the extent available for projects such as the Project, builder's risk insurance against physical loss or damage thereto caused by earthquake and other standard specified perils designated by the Authority, with such exceptions as are ordinarily required by insurers of facilities of a similar type; and (b) comprehensive general liability for bodily injury and property damage in an amount not less than Three Million Dollars, or combined bodily injury in an amount not less than Three Million Dollars and property damage not less than Five Hundred Thousand Dollars on account of any one (1) accident and in an amount not less than Five Hundred Thousand Dollars (\$500,000) in the aggregate during each policy period, each of which shall not be longer than one (1) year.

The Authority also covenants that all contracts for the Project will or do require the contractor to carry Worker's Compensation insurance.

The Authority has covenanted that following completion of the Project, it will carry or cause to be carried the following kinds of insurance: (a) to the extent available for projects such as the Project, insurance on the Project against physical loss or damage thereto due to earthquake and other standard specified perils designated by the Authority, with such exceptions as are ordinarily required by insurers of infrastructure of a similar type and location, which insurance shall be in an amount equal to the outstanding principal amount of the Bonds as certified by the Authority, on the effective date of such insurance; (b) rent or rental value insurance in an amount equal to the full rental value of the Project for a period of two (2) years against physical loss or damage of the type insured against under (a) above; and (c) liability insurance for personal injury and property damage as provided in the Lease.

The proceeds of any insurance shall be applied by the Authority to the repair, replacement, or reconstruction of any damaged or destroyed property. In addition, the Trustee may repair or replace the Project if the Authority fails to do so. If, at any time, the Project is totally or substantially destroyed, and the amount of insurance moneys received on account thereof by the Trustee is sufficient to redeem all of the outstanding Bonds, the Authority with the written approval of the Commission may direct the Trustee to use the money for the purpose of calling for redemption all of the Bonds issued and then outstanding under the Trust Indenture at the then current redemption price.

Events of Default and Remedies

Events of default under the Trust Indenture include: (i) failure to pay the principal of any of the Bonds; (ii) failure to pay interest on the Bonds as it becomes due and payable; (iii) occurrence of certain events of bankruptcy or insolvency of the Authority; (iv) default in the performance or observance of any other of the covenants, agreements or conditions by the

Authority under the Trust Indenture or in any supplemental indenture, and the continuance of such default for sixty (60) days after written notice; (iv) failure of the Authority to bring suit to mandate the Commission or appropriate officials of the Commission to levy a redevelopment district special benefits tax to pay lease rentals when due under the Lease; and (v) nonpayment of the lease rental within sixty (60) days after it is due as provided under the Lease.

Upon the occurrence of one or more events of default, the Trustee may, and shall upon written request of the holders of at least twenty-five percent (25%) in principal amount of the Bonds then outstanding, pursue any available remedy by suit at law or in equity, whether for specific performance of any covenant or agreement contained in the Trust Indenture or in aid of any power granted therein, to the extent permitted by law, the appointment of a receiver.

No holder of any of the Bonds shall have the right to institute any proceeding in law or in equity, or for the appointment of a receiver, or for any other remedy under the Trust Indenture without complying with the provisions of the Trust Indenture.

Supplemental Indentures

The Authority and the Trustee may, without obtaining the approval of the holders of the Bonds, enter into supplemental indentures (i) to cure any ambiguity or formal defect or omission in the Trust Indenture; (ii) to grant to the Trustee for the benefit of such holders any additional rights, remedies, powers, authority, or security that may be lawfully granted; (iii) to subject to the pledge of the Trust Indenture additional security, revenues, property, or collateral; (iv) to amend the Trust Indenture or any supplemental indenture to permit qualification under the Trust Indenture Act of 1939, as amended; (v) to evidence the appointment of a separate or co-trustee or the succession of a new trustee, registrar, or paying agent; or (vi) for any other purpose which the Trustee, in its sole discretion, determines will not have a material adverse effect on the interests of the owners of the Bonds.

The holders of not less than 66-2/3% in aggregate principal amount of the Bonds then outstanding shall have the right, from time to time except when contrary to the Trust Indenture, to approve the execution by the Authority and the Trustee of such supplemental indentures, except no supplemental indenture shall, without the consent of the owners of all bonds affected thereby, permit:

- (a) An extension of the maturity of the principal of or interest on any Bond; or
- (b) A reduction in the principal amount of any Bond or the redemption premium or the rate of interest; or
- (c) The creation of a lien upon the Lease Rental and Other Income ranking prior or on a parity with the lien created by the Trust Indenture; or
- (d) A preference or priority of any Bond or Bonds over any other Bond or Bonds; or

(e) A reduction in the aggregate principal amount of the Bonds required for consent to supplemental indentures.

If the owners of not less than fifty percent (66-2/3%) in aggregate principal amount of the Bonds outstanding at the time of the execution of such supplemental indenture shall have consented to and approved the execution thereof as provided in the Trust Indenture, no owner of any Bond shall have any right to object to the execution of such supplemental indenture or to object to any of the terms and provisions contained therein or the operation thereof, or in any manner to question the propriety of the execution thereof, or to enjoin or restrain the Trustee or the Authority from executing the same, or from taking any action pursuant to the provisions thereof.

Upon the execution of any supplemental indenture pursuant to the provisions of the Trust Indenture, the Trust Indenture shall be, and shall be deemed, modified, and amended in accordance therewith, and the respective rights, duties, and obligations under the Trust Indenture of the Authority, the Trustee, and all owners of Bonds then outstanding shall thereafter be determined, exercised, and enforced hereunder, subject in all respects to such modifications and amendments.

Possession Until Default, Defeasance, Payment, Release

Subject to the rights of the Trustee and the holders of the Bonds in the event of the occurrence and continuance of an event of default, the Authority shall have the right of full possession, enjoyment, and control of the Project. While in possession of the Project, and while not in default under the Trust Indenture, the Authority shall have the right at all times to alter, change, add to, repair, or replace any of the property constituting a part of the Project so long as the value of the Project and the security of the Bonds shall not be substantially impaired to reduced.

The Trustee shall, at the direction of the Authority, and upon: (i) receipt of an appraisal of the Leased Premises to be released, if any, and the property to be substituted to maintain and preserve the value of the Project; (ii) resolutions of the Authority and the Commission authorizing any release and substitution; and (iii) copies of recorded documents evidencing any release of the lien, release from the lien and operation of the Trust Indenture, in such manner and subject to such conditions as the Trustee shall deem proper, such portion of the Leased Premises now owned, or which shall at any time be acquired or held for the use of the Authority, as shall have become unfit or unnecessary for use, but any and all new or other property of the classes covered by this Indenture, which may be acquired in substitution for Leased Premises so released, shall by virtue and force hereof become and be, immediately upon the acquisition thereof, subject to the operation of these presents, without any new conveyance or transfer or other act or proceeding whatsoever; and the proceeds from all such sales of Leased Premises which shall not be invested in other property subject to the Lease, within ninety (90) days after the receipt thereof, shall be deposited in the Operation and Reserve Fund. Transactions under the provisions of this section shall be covered by such requests and reports in writing as the Trustee may require. All releases granted and consents given by the Trustee under the Trust Indenture shall be in writing, and copies of the same shall be retained by the Trustee and be open to inspection by owners of the bonds secured hereby. A certified copy of the resolution adopted

by the board of directors of the Authority relative to the disposal of Leased Premises found to be unfit or unnecessary for use, shall be conclusive in favor of the Trustee as to the truth of the matters therein recited.

Any Bond or portion thereof shall be deemed to be paid within the meaning of the Indenture when payment of the principal of such Bond and interest thereon to the due date thereof (whether such due date be by reason of maturity or upon redemption as provided in the Trust Indenture or otherwise), either (a) shall have been made or caused to have been made in accordance with the terms thereof, or (b) shall have been provided for by irrevocably depositing with the Trustee, in trust and exclusively for such payment, (1) moneys sufficient to make such payment or (2) direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America ("Governmental Obligations") maturing as to principal and interest in such amounts and at such times, without consideration of any reinvestment thereof, as will insure the availability of sufficient moneys to make such payment, or (3) a combination of such moneys and Governmental Obligations, and all necessary and proper fees and expenses of the Trustee pertaining to the Bonds with respect to which such deposit is made shall have been paid or deposited with the Trustee.

Upon the deposit with the Trustee, in trust, at or before maturity, of money or Governmental Obligations in the necessary amount to pay or redeem all outstanding Bonds as provided in the Trust Indenture (whether upon or prior to their maturity or the redemption date of such Bonds), provided that if such Bonds are to be redeemed prior to the maturity thereof, notice of such redemption shall have been given, or provisions satisfactory to the Trustee shall have been made for the giving of such notice, and compliance with the other payment requirements of the Indenture, the Indenture may be discharged in accordance with the provisions thereof, but the limited liability of the Authority in respect of such Bonds shall continue, provided that the owners thereof shall thereafter be entitled to payment only out of the moneys or Governmental Obligations deposited with the Trustee as aforesaid.

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APPENDIX C

SUMMARY OF THE LEASE

The following is a summary of certain provisions of the Lease and does not purport to comprehensively describe that document in its entirety. Capitalized terms not defined in this summary or in this Official Statement shall have the definitions set forth in the Lease.

Construction of the Leased Premises

The Leased Premises consists of acquisition, construction and reconstruction of Canal Street, including sidewalks, streetscape and utility improvements ("Project") constructed by the Authority in, serving or benefitting the Yorktown Economic Development Area No. 1.

Lease Term and Lease Rental

The Lease is for a twenty (20) year term which commences on the date the Project is completed and available for use and expires on the day prior to the date which is twenty (20) years later. By each payment date, the Commission is to pay the installment of lease rental ("Lease Rental") due under the Lease. The Lessee agrees to pay interim lease rentals at the maximum annual rate of \$300,000 payable semiannually on July 1, 2019 through and including January 1, 2020 ("Interim Period"). At the end of the Interim Period, the Lessee agrees to pay rental for the Leased Premises at the maximum annual rate of \$450,000 per year during the term of the Lease. At the end of the Interim Period, the first rental installment shall be due on the day that the Leased Premises are completed and ready for use or July 1, 2020, whichever is later. The Lease Rental shall be reduced following the sale of the Bonds to an amount equal to the multiple of \$1,000 next higher than the sum of principal and interest due on the Bonds in each twelve-month period ending on any bond payment date, plus \$5,000, payable in equal semiannual installments. The schedule of reduced annual Lease Rentals shall be endorsed as an addendum to the Lease by the parties thereto at the time of the issuance of the Bonds.

Sources of Lease Rental Payments

The Lease Rental is payable out of a special benefits tax levied on all taxable property in the Yorktown Redevelopment District ("Special Benefits Tax") which shall be levied annually in an amount sufficient to produce necessary funds to pay Lease Rental on their due dates.

The obligation to pay Lease Rentals is limited to the Special Benefits Tax. The obligation to pay any Lease Rentals under the Lease is not a debt of the Town or the Yorktown Redevelopment District for purposes of the Constitution of the State of Indiana or IC 36-7-14, IC 36-7-14.5 and IC 36-7-25.

Maintenance, Alternations and Repairs

The Commission assumes all responsibility for the operation, maintenance, repairs, and alterations of the Project, but may enter into a sublease or contract with the Town. Subject to the provisions of the Lease, at the end of the Lease Term, the Commission shall deliver the Leased Premises to the Authority in as good condition as at the beginning of the Lease Term, reasonable wear and tear only excepted.

Insurance

During the full term of the Lease, the Commission will, at its own expense, to the extent such insurance is commercially available, insured against physical loss or damage due to earthquake and other standard perils designated by the Authority.

During the full term of the Lease, the Commission will also, at its own expense, maintain rent or rental value insurance, to the extent such insurance is commercially available, in amount equal to the full rental value of the Leased Premises for a period of two (2) years against physical loss or damage of the type insured against pursuant to the requirements of the Lease.

During the full term of the Lease, the Lessee will also, at its own expense, carry combined bodily injury insurance, including accidental death and property damage with reference to the Leased Premises in an amount not less than Three Million Dollars (\$3,000,000) on account of each occurrence with one or more good and responsible insurance companies. The public liability insurance required herein may be by blanket insurance policy or policies.

The proceeds of the public liability insurance required under the Lease (after payment of expenses incurred in the collection of such proceeds) shall be applied toward extinguishment or satisfaction of the liability with respect to which such insurance proceeds are paid.

Such policies shall be for the benefit of persons having an insurable interest in the Leased Premises, and shall be made payable to the Authority or to such other person or persons as the Authority may designate. Such policies shall be countersigned by an agent of the insurer who is a resident of the State of Indiana, and such policies (or certificates of insurance for each policy) shall be deposited with the Authority and the Trustee. If, at any time, the Commission fails to maintain insurance in accordance with the Lease, such insurance may be obtained by the Authority and the amount paid therefor shall be added to the amount of rental payable by the Commission under the Lease; provided, however, that the Authority shall be under no obligation to obtain such insurance and any action or non-action of the Authority in this regard shall not relieve the Commission of any consequence of its default in failing to obtain such insurance, including its obligation to continue the rental payments in case of total or partial destruction of the Leased Premises as provided in the Lease.

Damage, Destruction or Condemnation

If the Leased Premises are damaged or destroyed (in whole or in part) by fire or other casualty, or is taken under the exercise of eminent domain, at any time during the term of the Lease, the Authority is to promptly as may be done, restore the portion of the Leased Premises damaged or destroyed, however the Authority is not obligated to spend more on such restoration or rebuilding than either (1) the amount of proceeds received from the insurance proceeds or (2) the condemnation proceeds received by the Authority, as applicable.

Rent Abatement and Rental Value Insurance

If the Leased Premises or a portion thereof are totally or partially destroyed, whether by fire or any other casualty, or is taken under the exercise of the power of eminent domain and there is insurance on the Leased Premises and the rental value thereof, the Lease Rental payable

by the Commission shall be abated or reduced. The Lease Rental shall be abated during that portion of the Lease term that the Leased Premises is totally unfit or unavailable for use. Such abatement shall be in proportion to the percentage of the Leased Premises so unfit or unavailable for use.

Subject to additional approvals as required by law, if an abatement of rent occurs as a result of the failure to complete construction of the Project on time or as a result of damage to the Project, the Commission shall substitute such leased property with other property so that rental payments continue without abatement.

Additional Rental

The Commission is required to pay, as further rent, taxes and assessments lawfully assessed or levied against or with respect to the Leased Premises and the amount required to reimburse the Authority for any insurance payments made by the Authority. The Commission may, at its own expense, in good faith contest any such taxes and assessments.

Events of Default

The Lease provides that either of the following constitutes an event of default under the Lease:

- (a) Failure to pay any Lease Rentals or other sums payable to the Authority under the Lease, or failure to pay any other sum therein required to be paid for the Authority; or
- (b) Failure to observe any other covenant, agreement or condition under the Lease, and such default shall continue for sixty (60) days after written notice to correct the same.

Remedies

On the occurrence of an event of default under the Lease, the Authority may proceed to protect and enforce its rights by suit or suits in equity or at law in any court of competent jurisdiction, whether for specific performance of any covenant or agreement contained therein, or for the enforcement of any other appropriate legal or equitable remedy; or the Authority, at its option, without further notice, may terminate the estate and interest of the Commission under the Lease, and it shall be lawful for the Authority forthwith to resume possession of the Leased Premises and the Commission covenants to surrender the same forthwith upon demand. The exercise by the Authority of the right to terminate the Lease shall not release the Commission from the performance of any obligation thereof maturing prior to the Authority's actual entry into possession. No waiver by the Authority of any right to terminate the Lease upon any default shall operate to waive such right upon the same or other default subsequently occurring.

Option to Purchase

The Commission has the option to purchase the Leased Premises on any date, upon sixty (60) days' notice to the Authority, at a price which is sufficient to allow the Authority to liquidate by paying or providing for the payment in full of the then outstanding bonds pursuant to the redemption provisions contained in the Trust Indenture.

Option to Renew

The Commission has an option to renew the Lease for a further like or lesser term upon the same terms and conditions provided in the Lease.

APPENDIX D

FORM OF BOND COUNSEL OPINION

Upon delivery of the Bonds in definitive form, Ice Miller LLP, Bond Counsel, proposes to render the following opinion with respect to the Bonds substantially in the form set forth below.

_____, 2018

Re: Yorktown Redevelopment Authority
Ad Valorem Property Tax Lease Rental Bonds of 2018
Total Issue: \$ _____
Dated Date: _____, 2018

Ladies and Gentlemen:

We have acted as bond counsel in connection with the issuance by the Yorktown Redevelopment Authority ("Issuer") of \$ _____ Ad Valorem Property Tax Lease Rental Bonds of 2018, with an original date of _____, 2018 ("Bonds"), pursuant to IC 36-7-14, IC 36-7-14.5 and IC 36-7-25 (collectively, "Act") and a trust indenture between the Issuer and _____, as trustee ("Trustee"), dated as of December 1, 2018 ("Indenture"). We have examined the law and such certified transcript of proceedings and other papers as we deem necessary to render this opinion.

We have relied upon the certified transcript of proceedings and other certificates of public officials furnished to us, including the Issuer's, the Yorktown Redevelopment Commission's ("Commission") and the Town of Yorktown, Indiana's ("Town") tax covenants and representations (collectively, "Tax Representations"), and we have not undertaken to verify any facts by independent investigation.

Based on our examination, we are of the opinion, as of the date hereof, as follows:

1. The lease between the Issuer, as lessor, and the Commission, as lessee, dated as of October 5, 2018 ("Lease"), has been duly entered into in accordance with the provisions of the Act, and is a valid and binding lease, enforceable against the Issuer and the Commission in accordance with its terms. Lease rentals ("Lease Rentals") are payable from a special benefits tax levied on all taxable property in the territory of the Yorktown Redevelopment District, as a special taxing district which is coterminous with the City; however, the Issuer's collection of the levy may be limited by operation of IC 6-1.1-20.6, which provides taxpayers with a tax credit for all property taxes attributable to different classes of property in an amount that exceeds certain percentages of the gross assessed value of that property. The Issuer may not increase its property tax levy or borrow money to make up any shortfall due to the application of this tax credit.

Pursuant to the Lease, the Commission is required by law to levy and appropriate an amount annually which is sufficient to pay the Lease Rentals. Lease rentals commence on the later of the date the Project (as defined in the Lease) is completed and available for use or July 1, 2020.

2. The Issuer has duly authorized, sold, executed and delivered the Bonds and has duly authorized and executed the Indenture securing the same. The Bonds are the valid and binding limited obligations of the Issuer, enforceable in accordance with their terms, and are payable from and secured only by the Lease Rentals and funds to be received by the Issuer and held in the funds and accounts established in the Indenture.

3. Under statutes, decisions, regulations and rulings existing on this date, the interest on the Bonds is exempt from income taxation in the State of Indiana ("State"). This opinion relates only to the exemption of interest on the Bonds from State income taxation.

4. Under federal statutes, decisions, regulations and rulings existing on this date, the interest on the Bonds is excludable from gross income for purposes of federal income taxation pursuant to Section 103 of the Internal Revenue Code of 1986, as amended ("Code"), is not a specific preference item for purposes of the federal alternative minimum tax, but it is included in adjusted current earnings in calculating corporate alternative minimum taxable income for taxable years that began prior to January 1, 2018. This opinion is conditioned upon continuing compliance by the Issuer with the Tax Covenants. Failure to comply with the Tax Covenants could cause interest on the Bonds to lose the exclusion from gross income for purposes of federal income taxation retroactive to the date of issuance of the Bonds.

We have not been engaged nor have we undertaken to review the accuracy, completeness or sufficiency of the Official Statement or any other offering material relating to the Bonds and we express no opinion thereon.

It is to be understood that the rights of the owners of the Bonds and the enforceability of the Bonds and the Indenture, as well as the rights of the Issuer, the Commission and the Trustee and the enforceability of the Lease, may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted and that their enforcement may be subject to the exercise of judicial discretion in accordance with general principles of equity. It is to be understood that the rights of the owners of the Bonds and the enforceability of the Bonds and the Indenture, as well as the rights of the Issuer, the Commission and the Trustee and the enforceability of the Lease, may be subject to the valid exercise of the constitutional powers of the Issuer, the Commission, the County, the State and the United States of America.

Very truly yours,

APPENDIX E

CONTINUING DISCLOSURE UNDERTAKING CERTIFICATE

This CONTINUING DISCLOSURE UNDERTAKING CERTIFICATE ("Certificate") is made as of _____, 2018 by the Yorktown Redevelopment Commission ("Obligor"), acting in the name of the Town of Yorktown, Indiana, for the purpose of permitting _____, as underwriter ("Underwriter") to purchase the Yorktown Redevelopment Authority's ("Authority") \$_____ Ad Valorem Property Tax Lease Rental Bonds of 2018, dated _____, 2018 ("Bonds"), issued pursuant to a Trust Indenture, dated as of November 1, 2018, between the Authority and _____, as trustee ("Trust Indenture"), in compliance with the Securities and Exchange Commission ("SEC") Rule 15c2-12 ("SEC Rule") as published in the Federal Register on November 17, 1994.

WHEREAS, the Authority has issued its Bonds pursuant to the Trust Indenture; and

WHEREAS, pursuant to a Lease Agreement, between the Authority, as lessor, and the Obligor, as lessee, dated October 5, 2018 ("Lease"), the Obligor is required to pay lease rentals, which rentals will be used to pay the principal and interest due on the Bonds; and

WHEREAS, the Obligor is an Obligated Person (as defined in the SEC Rule) because the lease rental payments due under the Lease are the only source of funds (other than bond proceeds) pledged to pay the principal and interest due on the Bonds; and

WHEREAS, the Underwriter, by its agreement to purchase the Bonds, accepts and assents to this Certificate and the exchange of such purchase and acceptance for the promises of Obligor contained herein, and hereby assigns all its rights hereunder, as promisee, to the holders of the Bonds;

NOW, THEREFORE, in consideration of the payment for and acceptance of any Bonds by the Underwriter, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Obligor hereby promises to the Underwriter:

Section 1. Definitions. The words and terms defined in this Certificate shall have the meanings herein specified unless the context or use clearly indicates another or different meaning or intent. Those words and terms not expressly defined herein and used herein with initial capitalization where rules of grammar do not otherwise require capitalization, shall have the meanings assigned to them in the SEC Rule.

- (1) "Bondholder" or "holder" or any similar term, when used with reference to a Bond or Bonds, means any person who shall be the registered owner of any outstanding Bond, or the holders of beneficial interests in the Bonds.
- (2) "EMMA" is Electronic Municipal Market Access System established by the Municipal Securities Rulemaking Board.
- (3) "Final Official Statement" means the Official Statement, dated as of _____, 2018, relating to the Bonds, including any

document included by specific reference to such document filed with the MSRB.

- (4) "MSRB" means the Municipal Securities Rulemaking Board.

Section 2. Term. The term of this Agreement is from the date of delivery of the Bonds by the Obligor to the earlier of (i) the date of the last payment of principal or redemption price, if any, of, and interest to accrue on, all the Bonds, or (ii) the date the Bonds are defeased under the Trust Indenture, or (iii) the date of rescission as described in Section 9.

Section 3. Obligated Persons. The Obligor hereby represents and warrants as of the date hereof that it is the only Obligated Person with respect to the Bonds. If the Obligor is no longer committed by contract or other arrangement to support payment of the Bonds, such person shall no longer be considered an Obligated Person within the meaning of the SEC Rule and the continuing obligation under this Certificate to provide annual financial information and notices of events shall terminate with respect to such person.

Section 4. Provision of Financial Information. (a) The Obligor hereby undertakes to provide, with respect to the Bonds, the following annual financial information, in each case (i) in an electronic format as prescribed by the MSRB and (ii) accompanied by identifying information as prescribed by the MSRB:

- (1) To the MSRB, the report of the Indiana State Board of Accounts ("SBOA"), which may consist of either the Independent Accountant's Report or the Independent Auditor's Report, and the financial statements of the Obligor, as audited or examined by the SBOA, on an annual basis for each fiscal year, together with the opinion of the SBOA and all notes thereto (collectively, the "SBOA Report"), by the June 30 immediately following each annual period. Such disclosure of SBOA Report shall first occur by June 30, 2019, and shall be made by June 30 of every year thereafter, if the SBOA Report is delivered to the Obligor by June 30 of each annual period. If, however, the Obligor has not received the SBOA Report by such June 30 annual date, the Obligor agrees to (i) post a voluntary notice to the MSRB by June 30 of such annual period that the SBOA Report has not been received, and (ii) post the SBOA Report within 60 days of the Obligor's receipt thereof; and
- (2) To the MSRB, no later than June 30 of each year, beginning June 30, 2019, the most recent annual financial information for the Obligor including (i) unaudited financial statements of the Obligor, and (ii) operating data (excluding any demographic information or forecast) of the general type included under the following headings in Appendix A in the Final Official Statement (together, with the SBOA Report, the "Annual Information"), provided, however, that

the updated Annual Information may be provided in such format as the Obligor deems appropriate:

APPENDIX A

GENERAL ECONOMIC AND FINANCIAL INFORMATION

- Schedule of Historical Net Assessed Valuation
- Comparative Schedule of Certified Tax Rates
- Property Taxes Levied and Collected
- Detail of Net Assessed Valuation
- Large Taxpayers

(b) If any Annual Information relating to the Obligor referred to in paragraph (a) of this Section 4 no longer can be provided because the operations to which they related have been materially changed or discontinued, a statement to that effect, provided by the Obligor to the MSRB, along with any other Annual Information required to be provided under this Certificate, shall satisfy the undertaking to provide such Annual Information. To the extent available, the Obligor shall cause to be filed along with the other Annual Information, operating data similar to that which can no longer be provided.

(c) The disclosure may be accompanied by a certificate of an authorized representative of the Obligor in the form of Exhibit A attached hereto.

(d) The Obligor agrees to make a good faith effort to obtain Annual Information. However, failure to provide portions of Annual Information because it is unavailable through circumstances beyond the control of the Obligor shall not be deemed to be a breach of this Certificate. The Obligor further agrees to supplement the Annual Information filing when such data is available.

(e) Annual Information required to be provided pursuant to this Section 4 may be provided by a specific reference to such Annual Information already prepared and previously provided to the MSRB. Any information included by reference shall also be (i) available to the public on the MSRB's Internet Web Site, or (ii) filed with the Securities and Exchange Commission.

(f) All continuing disclosure filings under the Certificate shall be made in accordance with the terms and requirements of the MSRB at the time of such filing. Currently, the SEC has approved the submission of continuing disclosure filings with EMMA, and the MSRB has requested that such filings be made by transmitting such filings electronically to EMMA at www.emma.msrb.org.

Section 5. Accounting Principles. The Obligor's financial statements will be prepared in accordance with financial reporting provisions as prescribed by the SBOA, as in effect from time to time, as described in the SBOA Report and notes accompanying the SBOA Report or those mandated by state law from time to time. The SBOA Report, as described in Section 4(a)(1) hereof, is either (i) an audit of the Obligor's financial statements conducted in accordance with auditing standards generally accepted in the United States of America and the

standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, or (ii) an examination conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants.

Section 6. Reportable Events. The Obligor undertakes to disclose the following events within 10 business days of the occurrence of any of the following events, if material (which determination of materiality shall be made by the Obligor in accordance with the standards established by federal securities laws), to the MSRB, in each case (i) in an electronic format as prescribed by the MSRB and (ii) accompanied by identifying information as prescribed in MSRB:

- (1) non-payment related defaults;
- (2) modifications to rights of Bondholders;
- (3) bond calls;
- (4) release, substitution or sale of property securing repayment of the Bonds;
- (5) the consummation of a merger, consolidation, or acquisition, or certain asset sales, involving the obligated person, or entry into or termination of a definitive agreement relating to the foregoing; and
- (6) appointment of a successor or additional trustee or the change of name of a trustee.

The Obligor undertakes to disclose the following events, within 10 business days of the occurrence of any of the following events, regardless of materiality, to the MSRB, in each case (i) in an electronic format as prescribed by the MSRB and (ii) accompanied by identifying information as prescribed in MSRB:

- (1) principal and interest payment delinquencies;
- (2) unscheduled draws on debt service reserves reflecting financial difficulties;
- (3) unscheduled draws on credit enhancements reflecting financial difficulties;
- (4) substitution of credit or liquidity providers, or their failure to perform;
- (5) defeasances;
- (6) rating changes;

- (7) adverse tax opinions or events affecting the status of the Bonds, the issuance by the IRS of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material events, notices or determinations with respect to the tax status of the Bonds;
- (8) tender offers; and
- (9) bankruptcy, insolvency, receivership or similar event of the obligated person.

The disclosure may be accompanied by a certificate of an authorized representative of the Obligor in the form of Exhibit B attached hereto.

Section 7. Use of Agent. The Obligor may, at its sole discretion, utilize an agent (the "Dissemination Agent") in connection with the dissemination of any information required to be provided by the Obligor pursuant to the SEC Rule and the terms of this Certificate. If a Dissemination Agent is selected for these purposes, the Obligor shall provide prior written notice thereof (as well as notice of replacement or dismissal of such agent) to EMMA, and the MSRB.

Further, the Obligor may, at its sole discretion, retain counsel or others with expertise in securities matters for the purpose of assisting the Obligor in making judgments with respect to the scope of its obligations hereunder and compliance therewith, all in order to further the purposes of this Certificate.

Section 8. Failure to Disclose. If, for any reason, the Obligor fails to provide the Annual Information as required by this Certificate, the Obligor shall provide notice of such failure in a timely manner to EMMA or to the MSRB, in the form of the notice attached as Exhibit C.

Section 9. Remedies.

(a) The purpose of this Certificate is to enable the Underwriter to purchase the Bonds by providing for an undertaking by the Obligor in satisfaction of the SEC Rule. This Certificate is solely for the benefit of (i) the Underwriter, and (ii) the Bondholders and creates no new contractual or other rights for, nor can it be relied upon by, the SEC, underwriters, brokers, dealers, municipal securities dealers, potential customers, other Obligated Persons or any other third party. The sole remedy against the Obligor for any failure to carry out any provision of this Certificate shall be for specific performance of the Obligor's disclosure obligations hereunder and not for money damages of any kind or in any amount or for any other remedy. The Obligor's failure to honor its covenants hereunder shall not constitute a breach or default of the Bonds, the Trust Indenture or any other agreement to which the Obligor is a party and shall not give rise to any other rights or remedies.

(b) Subject to paragraph (d) of this Section 9, in the event the Obligor fails to provide any information required of it by the terms of this Certificate, any holder of Bonds may pursue the remedy set forth in the preceding paragraph in any court of competent jurisdiction in the

State of Indiana. An affidavit to the effect that such person is a holder of Bonds supported by reasonable documentation of such claim shall be sufficient to evidence standing to pursue this remedy.

(c) Subject to paragraph (d) of this Section 9, any challenge to the adequacy of the information provided by the Obligor by the terms of this Certificate may be pursued only by holders of not less than 25% in principal amount of Bonds then outstanding in any court of competent jurisdiction in the State of Indiana. An affidavit to the effect that such persons are holders of Bonds supported by reasonable documentation of such claim shall be sufficient to evidence standing to pursue the remedy set forth in the preceding paragraph.

(d) Prior to pursuing any remedy for any breach of any obligation under this Certificate, a holder of Bonds shall give notice to the Obligor, by registered or certified mail, of such breach and its intent to pursue such remedy. Thirty (30) days after the receipt of such notice, or upon earlier response from the Obligor to this notice indicating continued noncompliance, such remedy may be pursued under this Certificate if and to the extent the Obligor has failed to cure such breach.

Section 10. Modification of Certificate. The Obligor may, from time to time, amend or modify this Certificate without the consent of or notice to the holders of the Bonds if either (a)(i) such amendment or modification is made in connection with a change in circumstances that arises from a change in legal requirements, change in law or change in the identity, nature or status of the Obligor, or type of business conducted, (ii) this Certificate, as so amended or modified, would have complied with the requirements of the SEC Rule on the date hereof, after taking into account any amendments or interpretations of the SEC Rule, as well as any change in circumstances, and (iii) such amendment or modification does not materially impair the interests of the holders of the Bonds, as determined either by (A) nationally recognized bond counsel or (B) an approving vote of the holders of the Bonds pursuant to the terms of Article 10 of the Trust Indenture at the time of such amendment or modification; or (b) such amendment or modification (including an amendment or modification which rescinds this Certificate) is permitted by the SEC Rule, as then in effect.

Section 11. Interpretation Under Indiana Law. It is the intention of the parties hereto that this Certificate and the rights and obligations of the parties hereunder shall be governed by and construed and enforced in accordance with, the laws of the State of Indiana.

Section 12. Severability Clause. In case any provision in this Certificate shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 13. Successors and Assigns. All covenants and agreements in this Certificate made by the Obligor shall bind its successors, whether so expressed or not.

Section 14. Notices. All notices required to be given under this Certificate shall be made at the following addresses:

If to the Obligor:

Yorktown Redevelopment Commission
Attention: President
9800 West Smith Street
Yorktown, IN 47396

N WITNESS WHEREOF, the Obligor has caused this Certificate to be executed as of the day and year first hereinabove written.

YORKTOWN REDEVELOPMENT
COMMISSION

President

ATTEST:

Secretary

EXHIBIT A

CERTIFICATE RE: ANNUAL FINANCIAL INFORMATION DISCLOSURE

The undersigned, on behalf of the Yorktown Redevelopment Commission, as the Obligor under the Continuing Disclosure Undertaking Certificate, dated _____, 2018 ("Certificate"), hereby certifies that the information enclosed herewith constitutes the Annual Information (as defined in the Certificate) which is required to be provided pursuant to Section 4(a) of the Certificate.

Dated: _____.

YORKTOWN REDEVELOPMENT
COMMISSION

DO NOT EXECUTE – FOR FUTURE USE ONLY

EXHIBIT B

CERTIFICATE RE: REPORTABLE EVENT DISCLOSURE

The undersigned, on behalf of the Yorktown Redevelopment Commission, as Obligor under the Continuing Disclosure Undertaking Certificate, dated _____, 2018 ("Certificate "), hereby certifies that the information enclosed herewith constitutes notice of the occurrence of a reportable event which is required to be provided pursuant to Section 6 of the Certificate.

Dated: _____.

YORKTOWN REDEVELOPMENT
COMMISSION

DO NOT EXECUTE – FOR FUTURE USE ONLY

EXHIBIT C

NOTICE TO MSRB OF FAILURE TO FILE INFORMATION

Notice is hereby given that the Yorktown Redevelopment Commission ("Obligor") has not provided the Annual Information as required by Section 4(a) of the Continuing Disclosure Undertaking Certificate, dated as of _____, 2018.

Dated: _____

YORKTOWN REDEVELOPMENT
COMMISSION

DO NOT EXECUTE – FOR FUTURE USE ONLY

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APPENDIX F

APPENDIX F

This Appendix F assumes that (a) the winning bidder (the “Purchaser”) is purchasing the Bonds as an Underwriter (as hereinafter defined) and is not purchasing the Bonds with the intent to hold the Bonds for its own account, and (b) Yorktown, Indiana Redevelopment Authority (the “Issuer”) and the Purchaser shall agree to the process by which issue price will be established on the date of sale of the Bonds in the event that the Competitive Sale Requirements (as hereinafter defined) are not met. The Purchaser must agree to execute the applicable schedules depending on the sale results.

(a) By submitting a bid, the Purchaser agrees to assist the Issuer in establishing the issue price of the Bonds and shall execute and deliver to the Issuer at the Closing (as hereinafter defined) for the Bonds written evidence identifying the “Issue Price” as defined in the provisions of Treasury Regulation Section 1.148-1 (“Issue Price Rules”) for the Bonds or similar certificate setting forth the reasonably expected initial offering price to the public or the sales price or prices of the Bonds, together with the supporting pricing wires or equivalent communications, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Purchaser, the Issuer and Bond Counsel. All actions to be taken by the Issuer to establish the Issue Price of the Bonds may be taken on behalf of the Issuer by the Issuer’s municipal advisor identified in the Official Statement (H.J. Umbaugh & Associates, Certified Public Accountants, LLP) and any notice or report to be provided to the Issuer may be provided to the Issuer’s municipal advisor.

(b) For purposes of this Appendix F, the Competitive Sale Requirements will be satisfied in accordance with the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (the “Competitive Sale Requirements”) for purposes of establishing the Issue Price of the Bonds and will apply to the initial sale of the Bonds if the Issuer receive bids for the Bonds from at least three Underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds because:

- (1) the Issuer shall disseminate the Notice of Intent to Sell Bonds (the "Notice") to potential Underwriters in a manner that is reasonably designed to reach potential underwriters;
- (2) all bidders shall have an equal opportunity to bid; and
- (3) the Issuer anticipates awarding the sale of the Bonds to the bidder who submits a firm offer to purchase the Bonds at the highest price (or lowest interest cost) as set forth in the Notice (the requirements set forth in this paragraph (b), collectively, the “Competitive Sale Requirements”).

Any bid submitted pursuant to the Notice shall be considered a firm offer for the purchase of the Bonds, as specified in the bid. If all of the Competitive Sale Requirements are satisfied, the Purchaser shall execute Schedule I if the Purchaser is purchasing the Bonds as an Underwriter.

(c) In the event that the Competitive Sale Requirements are not satisfied, the Issuer shall so advise the Purchaser and the Issuer and the Purchaser (the “Parties”) agree to execute an agreement which will establish which method to determine Issue Price will be employed, a form of which is attached as Schedule II. The methods are as follows:

(1) General Rule

Issue Price will be established by the first price at which 10% of a maturity of the Bonds is sold to the Public (as hereinafter defined) (and if different interest rates apply within a maturity, to each separate CUSIP number within that maturity)(the “10% test”).

Until the 10% test has been satisfied as to each maturity of the Bonds, the Purchaser agrees to promptly report to the Issuer the prices at which the unsold Bonds of that maturity have been sold to the Public. That reporting obligation shall continue, whether or not the Closing Date (as hereinafter defined) has occurred, until the 10% test has been satisfied as to the Bonds of that maturity or until all Bonds of that maturity have been sold;

- OR -

(2) Hold the Price

Issue Price shall be established by applying the Hold the Price Rule (as defined below), which will allow the Issuer to treat the Initial Offering Price (as defined below) to the Public of each such maturity as of the Sale Date as the Issue Price of that maturity, provided the Purchaser agrees that it will neither offer nor sell these maturities to any person at a price that is higher than the Initial Offering Price to the Public during the period starting on the Sale Date and ending on the earlier of the following:

(1) the close of the fifth (5th) business day after the Sale Date; or

(2) the date on which the Purchaser has sold at least 10% of that maturity of the Bonds to the Public at a price that is no higher than the Initial Offering Price to the Public.

(the “Hold the Price Rule”). The Purchaser shall promptly advise the Issuer when it has sold 10% of a maturity to the Public at a price that is no higher than the Initial Offering Price to the Public, if that occurs prior to the close of the fifth (5th) business day after the Sale Date.

(d) The Purchaser will be required to execute a certificate in the form of Schedule III if the Competitive Sale Requirements are not satisfied indicating that all of the requirements set forth in such certificate have been satisfied such as a certification to that the Purchaser has offered or will offer the Bonds to the Public on or before the date of the award at the Initial Offering Price set forth in the bid submitted by the Purchaser. The Purchaser will also be required to provide a copy of the pricing wire or equivalent communication.

(e) By submitting a bid, each bidder acting as an Underwriter confirms that: (i) any agreement among Underwriters, any selling group agreement and each third-party distribution agreement (to which the bidder is a party) relating to the initial sale of the Bonds to the Public, together with the related pricing wires, contains or will contain language obligating each Underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such third-party distribution agreement, as applicable, (1) to report the prices at which it sells to the Public the unsold Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Bonds of that maturity allocated to it have been sold or it is notified by the Purchaser that the 10% test has been satisfied as to the Bonds of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Purchaser, and (2) to promptly notify the Purchaser of any sales of Bonds that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Bonds to the Public, and (3) to acknowledge that, unless otherwise advised by the underwriter, dealer or broker-dealer, the Purchaser shall assume that each order submitted by the underwriter, dealer or broker-dealer is a sale to the Public, (ii) any agreement among Underwriters or other selling group agreement relating to the initial sale of the Bonds to the Public, together with the related pricing wires, contains or will contain language obligating each Underwriter or dealer that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Bonds to the Public to require each broker-dealer that is a party to such third-party distribution agreement to report the prices at which it sells to the Public the unsold Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Bonds of that maturity allocated to it have been sold or it is notified by the Purchaser or such Underwriter that the 10% test has been satisfied as to the Bonds of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Purchaser or such Underwriter.

(f) Sales of any Bonds to any person that is a related party to an Underwriter participating in the initial sale of the Bonds to the Public shall not constitute sales to the Public for purposes of this Appendix F. Further, for purposes of this Appendix:

- (1) “Public” means any person other than an Underwriter or a related party,
- (2) “Underwriter” means (A) any person that agrees pursuant to a written contract with the Issuer (or with the lead Underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the Public),
- (3) a purchaser of any of the Bonds is a “related party” to an Underwriter if the Underwriter and the purchaser are subject, directly or indirectly, to (A) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (B) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships

(including direct ownership by one partnership of another), or (C) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other),

- (4) “Sale Date” means the date that the Bonds are awarded by the Issuer to the winning bidder,
- (5) “Closing” and “Closing Date” mean the day the Bonds are delivered to the Purchaser and payment is made thereon to the Issuer, and
- (6) “Initial Offering Prices” means the respective initial offering prices of the Bonds offered by the Purchaser to the Public on or before the Sale Date as set forth in the pricing wire or equivalent communication for the Bonds provided to the Issuer by the Purchaser.

Schedule I
\$4,940,000
Ad Valorem Property Tax Lease Rental Bonds of 2018
ISSUE PRICE CERTIFICATE

The undersigned, on behalf of [NAME OF UNDERWRITER] (“[SHORT NAME OF UNDERWRITER]”), hereby certifies as set forth below with respect to the sale of the above-captioned obligation (the “Bonds”).

1. ***Reasonably Expected Initial Offering Price.***
 - (a) As of the Sale Date, the reasonably expected initial offering prices of the Bonds to the Public by [SHORT NAME OF UNDERWRITER] are the prices listed in Schedule A (the “Expected Offering Prices”). The Expected Offering Prices are the prices for the Maturities of the Bonds used by [SHORT NAME OF UNDERWRITER] in formulating its bid to purchase the Bonds. Attached as Schedule B is a true and correct copy of the bid provided by [SHORT NAME OF UNDERWRITER] to purchase the Bonds.
 - (b) [SHORT NAME OF UNDERWRITER] was not given the opportunity to review other bids prior to submitting its bid.
 - (c) The bid submitted by [SHORT NAME OF UNDERWRITER] constituted a firm offer to purchase the Bonds.
2. ***Defined Terms.***
 - (a) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.
 - (b) *Underwriter* means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the Public).
 - (c) *Sale Date* means the first day on which there is a binding contract in writing for the sale or exchange the Bonds. The Sale Date of the Bonds is December 12, 2018.

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents [SHORT NAME OF UNDERWRITER]'s interpretation of any laws, including specifically Section 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the [Tax Certificate] and with respect to compliance with the federal income tax rules affecting the Bonds, and by Ice Miller LLP in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038[-G][-GC][-TC], and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds.

[UNDERWRITER], as [Underwriter]

By: _____

Name: _____

Dated: [ISSUE DATE]

SCHEDULE A
EXPECTED OFFERING PRICES
(Attached)

SCHEDULE B
COPY OF UNDERWRITER'S BID
(Attached)

Schedule II

AGREEMENT TO ESTABLISH ISSUE PRICE

The Yorktown, Indiana Redevelopment Authority (the “Issuer”) offered its Ad Valorem Property Tax Lease Rental Bonds of 2018 (the Bonds”) through a competitive offering in compliance with state law. For federal tax law purposes, Issue Price as defined in Treasury Regulations Section 1.148-1(f) (the “Issue Price Regulations”) must be established by one of the methods set forth in Issue Price Regulations. One of the methods to establish Issue Price is to offer the Bonds to achieve a Competitive Sale as defined by the Issue Price Regulations by meeting specific requirements under the Issue Price Regulation. Although the Issuer achieved a competitive sale to comply with state law, one or more of the requirements for a Competitive Sale, for federal tax law purposes, was not achieved. The Issue Price Regulations provide if more than one rule for determining the Issue Price of the Bonds is available, the Issuer may select the rule it will use to determine the Issue Price of the Bonds.

On the date hereof, the Purchaser represents that the first price at which at least 10% of each maturity of the Bonds listed on Exhibit I was sold to the Public (as defined in Schedule A) is the respective price listed on Exhibit I. For the remaining maturities of the Bonds (the “Unsold Maturities”) the Issuer has determined and the Purchaser agrees that Issue Price will be established as set forth in Schedule A as attached.

[PURCHASER]

By: _____
Authorized Representative

Yorktown, Indiana Redevelopment Authority

By: _____

SCHEDULE A

This Schedule A sets forth as of the date hereof, the agreement between Yorktown, Indiana Redevelopment Authority (the “Issuer”) and _____ (the “Purchaser”) on the method by which Issue Price, as defined in Treasury Regulations Section 1.148-1(f) (the “Issue Price Regulations”) for the Unsold Bonds (as defined in Schedule II) must be established (the “Agreement”).

Based on the Agreement, the Issuer and the Purchaser have determined that Issue Price for the Unsold Bonds will be established by:

Check one, as applicable:

- _____ (1) General Rule (the “10% test”) set forth below in (1); or
_____ (2) “Hold the Price Rule” set forth below in (2).

SELECTION OF METHOD OF ISSUE PRICE ESTABLISHMENT

The methods are as follows:

(1) General Rule

Issue Price will be established by the first price at which 10% of a maturity of the Bonds is sold to the Public (and if different interest rates apply within a maturity, to each separate CUSIP number within that maturity).

Until the 10% test has been satisfied as to each maturity of the Bonds, the Purchaser agrees to promptly report to the Issuer the prices at which the unsold Bonds of that maturity have been sold to the Public provided that, the winning bidder’s reporting obligation after the Closing Date may be at reasonable, periodic intervals or otherwise upon request of the Issuer of bond counsel. That reporting obligation shall continue, whether or not the Closing Date has occurred, until the 10% test has been satisfied as to the Bonds of that maturity or until all Bonds of that maturity have been sold.

- OR -

(2) Hold the Price

Issue Price shall be established by applying the Hold the Price Rule (as defined below), which will allow the Issuer to treat the Initial Offering Price to the Public of each such maturity of the Bonds as of the Sale Date as the issue price of that maturity, provided the Purchaser agrees that it will neither offer nor sell these maturities to any person at a price that is higher than the Initial Offering Price to the Public during the period starting on the Sale Date and ending on the earlier of the following:

- (1) the close of the fifth (5th) business day after the Sale Date; or

(2) the date on which the Purchaser has sold at least 10% of that maturity of the Bonds to the Public at a price that is no higher than the Initial Offering Price to the Public.

(the “Hold the Price Rule”). The Purchaser will advise the Issuer promptly after the close of the fifth (5th) business day after the Sale Date whether it has sold 10% of a maturity to the Public at a price that is no higher than the Initial Offering Price to the Public.

DEFINITIONS OF GENERAL APPLICABILITY

“Public” shall mean any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter (as defined below) or a related party to an Underwriter. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly

"Underwriter" means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead Underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a third party distribution agreement participating in the initial sale of the Bonds to the Public).

A purchaser of any of the Bonds is a “related party” to an Underwriter if the Underwriter and the purchaser are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and

“Sale Date” means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is December 12, 2018.

“Closing” and “Closing Date” mean the day the Bonds are delivered to the Purchaser and payment is made thereon to the Issuer.

**[FORM TO USE WHEN GENERAL RULE OR SPECIAL RULE OF COMBINATION OF BOTH
RULES APPLIES]**

Schedule III

\$4,940,000

Ad Valorem Property Tax Lease Rental Bonds of 2018

ISSUE PRICE CERTIFICATE

The undersigned, on behalf of [NAME OF UNDERWRITER/REPRESENTATIVE] (["[SHORT NAME OF UNDERWRITER]"])[the "Representative"]], on behalf of itself and [NAMES OF OTHER UNDERWRITERS] (together, the "Underwriting Group"), hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (the "Bonds").

Select appropriate provisions below:

1. [Alternative 1¹ – All Maturities Use General Rule: *Sale of the Bonds*. As of the date of this certificate, for each Maturity of the Bonds, the first price at which at least 10% of such Maturity of the Bonds was sold to the Public is the respective price listed in Schedule A.][Alternative 2² – Select Maturities Use General Rule: *Sale of the General Rule Maturities*. As of the date of this certificate, for each Maturity of the General Rule Maturities, the first price at which at least 10% of such Maturity of the Bonds was sold to the Public is the respective price listed in Schedule A.][Alternative 3³-Issue Price not required on Closing Date and Select Maturities Use General Rule]: As of the date of this certificate, the General Rule Maturities and their respective issue prices (the first price at which 10% of such Maturity was sold to the Public) are listed in Schedule A. [SHORT NAME OF UNDERWRITER] certifies that it agreed in its [bid form][bond purchase agreement] to report to the Issuer the prices at which the Unsold Bonds have been sold to the Public within 5 business days of such sale until [SHORT NAME OF UNDERWRITER] can establish the first price at which at least 10% test of each Maturity of the Unsold Bonds has been sold to the Public.]

2. ***Initial Offering Price of the [Bonds][Hold-the-Offering-Price Maturities]***.

(a) [Alternative 1⁴ – All Maturities Use Hold-the-Offering-Price Rule: [SHORT NAME OF UNDERWRITER][The Underwriting Group] offered the Bonds to the Public for purchase at the respective initial offering prices listed in Schedule A (the "Initial Offering Prices") on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Bonds is attached to this certificate as Schedule B.][Alternative 2⁵ – Select Maturities Use Hold-the-Offering-Price Rule: [SHORT NAME OF

¹ If Alternative 1 is used, delete the remainder of paragraph 1 and all of paragraph 2 and renumber paragraphs accordingly.

² If Alternative 2 is used, delete Alternative 1 of paragraph 1 and use each Alternative 2 in paragraphs 2(a) and (b).

³ If Alternative 3 is used, delete the remainder of paragraph 1 and all of paragraph 2 and renumber paragraphs accordingly.

⁴ If Alternative 1 is used, delete all of paragraph 1 and renumber paragraphs accordingly.

⁵ Alternative 2(a) of paragraph 2 should be used in conjunction with Alternative 2 in paragraphs 1 and 2(b).

UNDERWRITER][The Underwriting Group] offered the Hold-the-Offering-Price Maturities to the Public for purchase at the respective initial offering prices listed in Schedule A (the “Initial Offering Prices”) on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Bonds is attached to this certificate as Schedule B.]

(b) [Alternative 1 – All Maturities use Hold-the-Offering-Price Rule: As set forth in the [Notice of Intent to Sell Bonds][bond sale notice], [SHORT NAME OF UNDERWRITER][the members of the Underwriting Group] [has][have] agreed in writing that, (i) for each Maturity of the Bonds, [it][they] would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the “hold-the-offering-price rule”), and (ii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any third-party distribution agreement shall contain the agreement of each broker-dealer who is a party to the third-party distribution agreement, to comply with the hold-the-offering-price rule. Pursuant to such agreement, no Underwriter (as defined below) has offered or sold any Maturity of the Bonds at a price that is higher than the respective Initial Offering Price for that Maturity of the Bonds during the Holding Period. [Alternative 2 - Select Maturities Use Hold-the-Offering-Price Rule: As set forth in the [Bond Purchase Agreement][Notice of Sale and bid award], [SHORT NAME OF UNDERWRITER][the members of the Underwriting Group] [has][have] agreed in writing that, (i) for each Maturity of the Hold-the-Offering-Price Maturities, [it][they] would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the “hold-the-offering-price rule”), and (ii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any third-party distribution agreement shall contain the agreement of each broker-dealer who is a party to the third-party distribution agreement, to comply with the hold-the-offering-price rule. Pursuant to such agreement, no Underwriter (as defined below) has offered or sold any Maturity of the Hold-the-Offering-Price Maturities at a price that is higher than the respective Initial Offering Price for that Maturity of the Bonds during the Holding Period.

(c) [To be used when the Bonds were subject to a failed competitive bidding process and the Issuer elected to apply the hold the price rule and the bidder confirmed its bid and agreed to comply with hold the price]. The Bonds were originally subject to a competitive bidding process. Attached as Schedule C hereto is the notification received by [SHORT NAME OF UNDERWRITER] that the Issuer elected to invoke the hold-the-offering-price rule and the [SHORT NAME OF UNDERWRITER]’s confirmation of its bid and its agreement to comply with the hold the offering price rule.

3. ***Defined Terms.***

[(a) *General Rule Maturities* means those Maturities of the Bonds listed in Schedule A hereto as the “General Rule Maturities.”]

[(b) *Hold-the-Offering-Price Maturities* means those Maturities of the Bonds listed in Schedule A hereto as the “Hold-the-Offering-Price Maturities.”]

[(c) *Holding Period* means, with respect to a Hold-the-Offering-Price Maturity, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date (December 12, 2018), or (ii) the date on which the [SHORT NAME OF UNDERWRITER][the Underwriters] [has][have] sold at least 10% of such Hold-the-Offering-Price Maturity to the Public at prices that are no higher than the Initial Offering Price for such Hold-the-Offering-Price Maturity.]

(d) *Issuer* means Yorktown, Indiana Redevelopment Authority.

(e) *Maturity* means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

(f) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(g) *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is December 12, 2018.

(h) *Underwriter* means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents [NAME OF UNDERWRITING FIRM][the Representative’s] interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer[and the Borrower] with respect to certain of the representations set forth in the [Tax Certificate] and with respect to compliance with the federal income tax rules affecting the Bonds, and by Ice Miller LLP in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of Internal Revenue Service Form 8038[-G][-GC][-TC], and other federal income tax advice it may give to the Issuer [and the Borrower] from time to time relating to the Bonds.

[UNDERWRITER][REPRESENTATIVE]

By: _____
Name: _____

Dated: [ISSUE DATE]

SCHEDULE A
SALE PRICES OF THE GENERAL RULE MATURITIES AND
INITIAL OFFERING PRICES OF THE HOLD-THE-OFFERING-PRICE MATURITIES
(Attached)

SCHEDULE B
PRICING WIRE OR EQUIVALENT COMMUNICATION
(Attached)

SCHEDULE C
CERTIFICATE OF INVOCATION OF HOLD THE PRICE RULE AND CONFIRMATION OF
BID

[Defined terms should correspond to those in the Bid Form]

The Issuer hereby notifies _____, as the winning bidder (the "Purchaser") for the [Insert Caption of Bonds] (the "Bonds") that the Issuer has determined to apply the hold the price rule (as described in the Bid Form dated _____, 20__) to the Bonds maturing _____, _____ and _____.(the "Hold the Price Maturities"). The Purchaser's bid will be cancelled and deemed withdrawn unless the Purchaser affirmatively confirms its bid and agrees to comply with the hold the price rule by executing and **[faxing/e-mailing]** the confirmation below by ____:00 **[a.m./p.m.]**.

Yorktown, Indiana Redevelopment Authority

By: _____

The Purchaser hereby acknowledges the Issuer's intention to apply the hold the price rule to the "Hold the Price Maturities". The Purchaser confirms its bid with respect to the Bonds and agrees to comply with the hold the price rule with respect to the Hold the Price Maturities.

[PURCHASER]

By: _____