



Crossroads Charter Schools

Special Board Meeting

Date and Time

Friday December 7, 2018 at 2:00 PM CST

Location

816 Broadway Blvd. Kansas City, MO 64105

Agenda

I. Opening Items

Opening Items

- A. Record Attendance and Guests
- B. Call the Meeting to Order

II. Finance

Finance

- A. Amended & Restated Promissory Note to IFF and corresponding Reaffirmation of the IFF Loan Guaranty

Subject: Special Board Meeting

Date and Time: 12/07/2018 2:00 PM US/Central

Description: The consideration of the approval of the Amended & Restated Promissory Note to IFF and corresponding Reaffirmation of the IFF Loan Guaranty

Dial-in number (US): (605) 472-5414
Access code: 931044#

III. Closing Items

A. Adjourn Meeting

Coversheet

Amended & Restated Promissory Note to IFF and corresponding Reaffirmation of the IFF Loan Guaranty

Section: II. Finance
Item: A. Amended & Restated Promissory Note to IFF and corresponding
Reaffirmation of the IFF Loan Guaranty
Purpose: Vote
Submitted by:
Related Material: Board Resolutions - IFF Loan.pdf
Historic Virginia -Fifth Consent and Reaffirmationv2.pdf
Historic Virginia -Amended and Restatedv2.pdf

CROSSROADS CHARTER SCHOOLS
a Missouri nonprofit corporation

**RESOLUTIONS OF THE BOARD OF DIRECTORS SUBMITTED FOR ADOPTION AT A
SPECIAL MEETING OF THE BOARD OF DIRECTORS**

The board of directors (collectively, the “*Directors*”) of **CROSSROADS CHARTER SCHOOLS**, a Missouri nonprofit corporation (the “*Corporation*”), hereby consider the following actions, at a special meeting of the Directors duly called, noticed and legally held on Friday, December 7, 2018.

WHEREAS, the Corporation formed and serves as the non-managing member of Washington Street Management, LLC, a Missouri limited liability company (“*WSMLLC*”); and

WHEREAS, WSMLLC formed or otherwise caused the formation of Historic Virginia Hotel, LLC, a Missouri limited liability company (“*HVHLLC*”); and

WHEREAS, HVHLLC purchased certain real property and improvements commonly known as 1080 Washington Street, Kansas City, Missouri (the “Property”) for the purpose of operating the Corporation’s public charter school known as Quality Hill Academy; and

WHEREAS, HVHLLC financed the acquisition and renovation of the Property by and through a series of loans from IFF, an Illinois non-profit corporation (“*IFF*”), with each of the amendments and extensions thereto (the “*IFF Loan*”); and

WHEREAS, HVHLLC now seeks to amend and modify the IFF Loan by and through the issuance of an Amended and Restated Promissory Note (Fee Mortgage) to IFF the amount of Two Million Two Hundred Thousand Dollars (\$2,200,000) (the “*Amended IFF Note*”); and

WHEREAS, IFF’s acceptance of the Amended IFF Note from HVHLLC is expressly conditioned upon the execution and delivery of the Fifth Consent and Reaffirmation of Guaranty (the “*Loan Guaranty*”); and

WHEREAS, the Amended IFF Note and the Loan Guaranty shall be collectively referred to as the “*Amended IFF Loan*”; and

WHEREAS, the Corporation wishes to enter into certain documents, instruments, and agreements in order to aid HVHLLC in securing the Amended IFF Loan, including but not limited to the Loan Guaranty.

NOW, THEREFORE, BE IT RESOLVED, that the Amended IFF Loan, including, but not limited to the Loan Guaranty is hereby authorized and approved in all respects, and Dean Johnson, the Executive Director of the Corporation, is hereby authorized, empowered, and directed to enter into and execute on behalf of himself or the Corporation, any and all necessary or appropriate documents, instruments, and agreements to evidence, effectuate and consummate the Amended IFF Loan, including but not limited to the Loan Guaranty and any and all

authorizations, resolutions or certificates of WSMLLC and HVHLLC to effect the execution and delivery of the Amended IFF Loan on behalf of HVHLLC; and

FURTHER RESOLVED, that any actions of the Corporation which would have been authorized by the foregoing resolutions, except that such acts were taken prior to the adoption of these resolutions, are hereby ratified, confirmed, approved and adopted as the actions of the Corporation.

By her signature hereto, the Secretary of the Corporation hereby certifies that the above resolutions were adopted by a vote of the Board of Directors at a special meeting of the Board of Directors of Crossroads Charter Schools, which a quorum was present, duly called, noticed and held on December 7, 2018.

Patricia Crawford, Secretary

FIFTH CONSENT AND REAFFIRMATION OF GUARANTY

Borrower:	Historic Virginia Hotel, LLC , a Missouri limited liability company
Lender:	IFF , an Illinois not for profit corporation
Guarantor:	Crossroads Charter Schools , a Missouri Not-For-Profit Corporation, f/k/a Crossroads Academy of Kansas City, Inc.
Note:	\$3,300,000 Promissory Note Dated May 27, 2016 , as amended and restated by Amended and Restated Promissory Note dated December __, 2018

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This **FIFTH CONSENT AND REAFFIRMATION OF GUARANTY** is made and entered into effective **as of November __, 2018**, by **CROSSROADS CHARTER SCHOOLS**, a Missouri Not-For-Profit Corporation, f/k/a Crossroads Academy of Kansas City, Inc. (the "**Guarantor**"), to and in favor of and for the benefit of **IFF**, an Illinois not for profit corporation (the "**Lender**").

Witnesseth, that:

WHEREAS, the Guarantor is the guarantor under that certain **Unconditional Guaranty dated May 27, 2016** (the "**Guaranty**") executed and delivered by the Guarantor to and in favor of the Lender.

WHEREAS, pursuant to the Guaranty, the Guarantor guaranteed to Lender that certain **\$3,300,000 Promissory Note Dated May 27, 2016**, as amended by **First Amendment to Promissory Note dated August 11, 2017**, as amended by **Second Amendment to Promissory Note dated November 27, 2017**, as amended by **Third Amendment to Promissory Note dated May 18 (May 25), 2018**, as amended by **Fourth Amendment to Promissory Note dated August 31, 2018** (as amended, the "**Note**") executed by **HISTORIC VIRGINIA HOTEL, LLC**, a Missouri limited liability company, as borrower (the "**Borrower**") to the order Lender, as lender.

WHEREAS, Borrower has requested that Lender amend and restate the Note pursuant to the terms of a certain **Amended and Restated Promissory Note dated November __, 2018** (the "**Amended and Restated Note**") by and between Borrower and Lender.

WHEREAS, based on the Guarantor's relationship with the Borrower, the undersigned Guarantor certifies and acknowledges that Guarantor will receive substantial financial and other benefit by Lender agreeing to the Borrower's amendment and restatement of the Note pursuant to the Amended and Restated Note; and

WHEREAS, in order to induce Lender to agree to amend and restate the Note pursuant to the Amended and Restated Note, the undersigned Guarantor desires to enter into, execute and deliver this instrument.

NOW, THEREFORE, for value received and in consideration and as a material inducement to Lender agreeing to amend and restate the Note pursuant to the Amended and Restated Note, the undersigned Guarantor hereby guarantees, covenants, agrees, warrants and represents to and with and for the benefit of Lender, as follows:

- Guarantor's Consent.** Guarantor hereby consents to and approves in all respects: **(a)** the amendment and restatement of the Note pursuant to the Amended and Restated Note; and **(b)** the Borrower entering into, executing and delivering the Amended and Restated Note.
- Confirmation, Ratification and Reaffirmation of Guaranty.** Guarantor hereby confirms, ratifies and reaffirms that the Guaranty is in full force and effect as of the date hereof, and that the Guaranty continues to constitute the valid and binding obligation of the Guarantor, enforceable in accordance with its

terms. Guarantor further agrees and acknowledges that the Guaranty, has not been discharged to any extent, and that Lender has not waived any of its rights or remedies against the Guarantor under the Guaranty by any previous steps, actions, non-actions, omissions or waivers granted by Lender to Borrower and/or to Guarantor. The Guarantor confirms that the Guaranty guarantees the Note as amended and restated by the Amended and Restated Note.

3. **Miscellaneous.** This instrument shall be binding upon Guarantor and its successors and assigns and shall inure to the benefit of Lender and its successors and assigns. This instrument shall be governed by and construed in accordance with the laws of the State of Illinois.

IN WITNESS WHEREOF, the undersigned Guarantor has executed this instrument as of the date first hereinabove stated.

GUARANTOR:

CROSSROADS CHARTER SCHOOLS,
a Missouri not for profit corporation,
f/k/a Crossroads Academy of Kansas City, Inc.

By: _____
Name: _____
Its: _____

Subscribed and sworn to before me this ____ day of December, 2018.

Notary Public

Loan # 17643

AMENDED AND RESTATED PROMISSORY NOTE
(FEE MORTGAGE)

\$3,300,000

November __, 2018

This **AMENDED AND RESTATED PROMISSORY NOTE** is dated as of November __, 2018, by and between **HISTORIC VIRGINIA HOTEL, LLC**, a Missouri limited liability company ("**Borrower**"), and **IFF**, an Illinois not for profit corporation ("**Lender**"). Borrower and Lender hereby agree and provide that, for the period from and after the date of this instrument, the **\$3,300,000 Promissory Note dated as of May 27, 2016** (as amended from time to time, the "**Original Note**") made by the Borrower to the Lender, is hereby amended and restated, and replaced in its entirety, by this Amended and Restated Promissory Note dated November __, 2018, which is hereinafter referred to as the "**A&R Note**" or the "**Promissory Note**". The terms of the Original Note shall continue to govern the Loan for the period prior to the date of this instrument.

FOR VALUE RECEIVED, the undersigned **HISTORIC VIRGINIA HOTEL, LLC**, a Missouri limited liability company, with an address at 1015 Central Street, Kansas City, Missouri 64105 ("**Borrower**"), hereby promises to pay to the order of **IFF**, an Illinois not for profit corporation (together with its successors and assigns, "**Lender**"), at its offices at 333 South Wabash Avenue, Suite 2800, Chicago, Illinois 60604, or at such other place as the holder of this Promissory Note may designate, in lawful money of the United States and in immediately available funds, the principal sum of **THREE MILLION THREE HUNDRED THOUSAND AND NO/100 DOLLARS (\$3,300,000)** or so much thereof as may be disbursed or advanced to Borrower pursuant to the terms and conditions provided herein (the "**Principal Sum**") together with interest on the Principal Sum at the rates set forth below (the Principal Sum, together with interest payable thereon in accordance herewith, is hereafter referred to as the "**Loan**").

1. Current Principal Balance; Principal Reduction Payment; Reduced Principal Balance.

The current principal balance outstanding under the Original Note as of the date of execution hereof is the principal sum of **\$2,473,233** (the "**Current Principal Balance**"). On or before December [__], 2018, the Borrower shall: (a) pay and remit to Lender a principal reduction payment (the "**Principal Reduction Payment**"), in the principal amount of **\$273,233**, so that (after such Principal Reduction Payment) the then principal balance outstanding under this A&R Note is reduced to **exactly TWO MILLION TWO HUNDRED THOUSAND DOLLARS (\$2,200,000)** (the "**Reduced Principal Balance**"); (b) pay and remit to Lender an interest payment on the Current Principal Balance for all unpaid interest on the Current Principal Balance through November 30, 2018; and (c) pay and remit to Lender an interest payment on the Principal Reduction Payment for all unpaid interest on the Principal Reduction Payment through the date of payment thereof. The foregoing interest payments shall be at the rate of interest set forth in the Original Note in effect prior to execution of this A&R Note. After the Principal Reduction Payment, the then outstanding Principal Sum of this A&R Note then is the Reduced Principal Balance.

2. Interest Rates.

(a) From and after the date hereof, and until and including **November 30, 2023**, the outstanding Principal Sum of the Loan shall bear interest at the rate of **six percent (6%) per annum** (the "**Initial Interest Rate**"). From and after **December 1, 2023** (the "**First Recalculation Date**"), and until and including **November 30, 2028**, the then outstanding Principal Sum of the Loan shall bear interest at the First Recalculated Rate (as hereinafter defined). From and after **December 1, 2028** (the "**Second Recalculation Date**"), and until and including **December 1, 2033** (the "**Maturity Date**"), the then

Amended and Restated Promissory Note For IFF Loan
 To Historic Virginia Hotel, LLC
 Property: 1080 Washington Street, Kansas City, MO
 (Doc. No. 625784.2/RG)

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Initials:

outstanding Principal Sum of the Loan shall bear interest at the Second Recalculated Rate (as hereinafter defined).

(b) The "**First Recalculated Rate**" shall be a fixed interest rate, determined by Lender on the First Recalculation Date (as defined above), equal to the greater of (i) the sum of (x) the yield to maturity (based on asked quotations) of United States Treasury obligations with a maturity equal to the Maturity Date plus (y) three hundred basis points (3.00%); and (ii) 5.00%. If there are no United States Treasury obligations with a maturity equal to the Maturity Date, the yield to maturity shall be interpolated on a straight-line basis between the United States Treasury obligations having the nearest maturities shorter and longer than such average life.

(c) The "**Second Recalculated Rate**" shall be a fixed interest rate, determined by Lender on the Second Recalculation Date (as defined above), equal to the greater of (i) the sum of (x) the yield to maturity (based on asked quotations) of United States Treasury obligations with a maturity equal to the Maturity Date plus (y) three hundred basis points (3.00%); and (ii) 5.00%. If there are no United States Treasury obligations with a maturity equal to the Maturity Date, the yield to maturity shall be interpolated on a straight-line basis between the United States Treasury obligations having the nearest maturities shorter and longer than such average life.

3. Payments.

(a) On or before December [___], 2018, Borrower shall pay to Lender the Principal Reduction Payment and the interest payments set forth in Section 1 of this A&R Note.

(b) The "**First Principal and Interest Payment Date**" is **January 1, 2019**.

(c) Beginning on the First Principal and Interest Payment Date, and on the first (1st) day of each month thereafter, Borrower shall pay Lender principal and interest on the Loan in equal monthly installments of **EIGHTEEN THOUSAND FIVE HUNDRED SIXTY-FOUR AND 45/100 DOLLARS (\$18,564.45)**, payable in arrears, which amount was determined by amortizing the Reduced Principal Balance, at the Initial Interest Rate, over a period of **one hundred eighty (180) months**. Upon modification of the interest rate to either the First Recalculated Rate or the Second Recalculated Rate, as the case may be, the amount of the subsequent monthly payments of principal and interest shall be recalculated by Lender based upon the then outstanding Principal Sum, and Borrower agrees to pay such recalculated amount. Lender shall deliver an amortization schedule to Borrower indicating the appropriate principal and interest payments through the remainder of the term of the Loan. Borrower may prepay this Promissory Note, in whole or in part, without penalty. Amounts prepaid may not be reborrowed.

(d) On the Maturity Date, the outstanding Principal Sum of the Loan, plus all interest accrued thereon (together with all other amounts owed by Borrower to Lender), shall be due and payable to Lender. Payments received by Lender shall be applied to amounts owed Lender in the priority determined by Lender in its sole discretion. During the interest only period of this A&R Note, interest shall be computed on the basis of a 360 day year for the actual number of days principal is outstanding. During the principal repayment period of this A&R Note, interest shall be computed on the basis of a 360 day year comprised of twelve (12) thirty (30) day months. If any payment under this Promissory Note becomes due on a Saturday, Sunday, or bank holiday under the laws of the State of Illinois, then the due date shall be extended to the next succeeding business day and interest shall be payable at the applicable rate specified above.

(e) As and when the Borrower or any master tenant entity of the Premises or the Guarantor receives any historic tax credit equity, the Borrower shall (within 5 days after the payment of any such tax credit equity) pre-pay principal of the Loan, in the same amount as the amount of historic tax credit equity so paid to the Borrower or master tenant or Guarantor. As and when the Guarantor receives any charitable contributions towards its capital campaign, the Borrower shall (within 5 days after Guarantor's receipt thereof) pre-pay principal of the Loan, in the same amount as the amount of charitable contributions received by the Guarantor.

4. Collateral.

This Promissory Note is secured by a **Future Advance Deed of Trust Assignment of Leases and Rents, Security Agreement and Fixture Filing dated May 27, 2016**, executed by Borrower, as grantor, to a mortgage trustee for the benefit of Lender, as beneficiary, **recorded on May 27, 2016, Instrument No. 2016E0047068** in the Jackson County, Missouri Recorder's Office, encumbering real estate located in Jackson County, Missouri, as amended by **First Amendment to Future Advance Deed of Trust dated August 25, 2017, recorded on August 30, 2017, Instrument No. 2017E0080455** in the Jackson County, Missouri Recorder's Office (said Deed of Trust, as so amended, the "**Mortgage**").

5. Representations and Warranties.

a. Borrower is a limited liability company organized and in good standing in the State of Missouri. **Washington Street Management, LLC**, a Missouri limited liability company ("**WSM**") is a member of the Borrower, owning one percent (1%) of the membership interests of the Borrower. **VH HTC, LLC**, a Missouri limited liability company ("**VH HTC**", who is the Federal Historic Tax Credit Investor) is a member of the Borrower, owning ninety-nine percent (99%) of the membership interests of the Borrower. WSM is the Manager of the Borrower. **Crossroads Academy Of Kansas City, Inc.**, a Missouri not for profit corporation (the "**Guarantor**") owns ninety-nine percent (99%) of the membership interests of WSM, and **Dean Johnson**, an individual ("**Johnson**" who is the Executive Director of the Guarantor) owns one percent (1%) of the membership interests of WSM.

b. Borrower's execution and delivery of this Promissory Note and the Mortgage (such Mortgage and Promissory Note, together with any other instruments or documents executed by Borrower in connection with the Loan, hereinafter collectively referred to as the "**Loan Documents**") and the performance of Borrower's obligations under this Promissory Note and the Loan Documents: (i) are within Borrower's limited liability company powers; (ii) have been duly authorized by all necessary and proper limited liability company action; and (iii) shall not conflict with, contravene, or violate any currently existing statute, rule or law, or governmental restriction, the terms of Borrower's Articles of Organization or Operating Agreement, or the terms, conditions, or provisions of any agreement to which Borrower is a party or by which Borrower or the Premises (as defined in the Mortgage) may be bound or affected.

c. This Promissory Note and the Loan Documents constitute legal, valid, and binding obligations of Borrower and are enforceable in accordance with their terms, except as such enforceability may be limited by bankruptcy law or general principles of equity (whether considered in a suit at law or in equity).

d. Borrower is now able to meet its debts as such debts mature, and no bankruptcy or insolvency proceedings are pending or contemplated by or against the Borrower.

e. All reports, statements and other data furnished to Lender in connection with the Loan are true, correct, and complete in all respects and do not omit to state any fact or circumstance necessary to make the statements contained therein not misleading.

f. Borrower, to the extent the same are available for delivery, has delivered to Lender audited financial statements and current internal financial statements (including a Statement of Financial Position indicating assets and liabilities and a Statement of Activities compared to budget) together with all other information necessary to fairly reflect the financial condition of Borrower for the period covered by such information.

g. Borrower has no claims, rights of set off or defense against Lender under this A&R Note, the Mortgage, the Loan Documents or otherwise in respect of the Loan, and Lender is not in default thereunder.

h. The Borrower is in material compliance with all requirements of law applicable to it or its property (including the Premises);

i. The Borrower used the proceeds of the Loan in a manner consistent with the requirements of the Original Note;

j. The proceeds of the Loan shall be used in compliance with all applicable anti-terrorist financing and asset control laws, regulations, rules and executive orders, including, but not limited to, the USA Patriot Act of 2001 and Executive Order No. 13224 (Executive Order Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism). In this regard, Borrower covenants and agrees to take all reasonable steps to ensure that no person or entity expected to receive any funds in connection with the accomplishment of the charitable purposes for which the Loan is being made or otherwise in connection with the Loan is named on any list of suspected terrorists or blocked individuals maintained by the U.S. government, including but not limited to (a) the Annex to Executive Order No. 13224, and (b) the List of Specially Designated Nationals and Blocked Persons maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury; and

k. No condition, circumstance, event, agreement, document, instrument, restriction, litigation or proceeding (or threatened litigation or proceeding or basis therefor) exists that (i) could adversely affect the validity or priority of the liens and security interests granted to Lender by Borrower under the Loan Documents or the ability of Borrower to perform its obligations under the Loan Documents or (ii) constitutes a Default.

6. Covenants.

Borrower agrees and covenants that it shall:

a. Use the proceeds of the Loan borrowed in accordance with the requirements of the Original Note;

b. Not incur any additional indebtedness or guarantee any indebtedness of any other person or entity without Lender's prior written consent, which consent may be withheld in Lender's sole and absolute discretion. Guarantor will not incur any additional indebtedness, in each case, without Lender's prior written consent, which consent may not be unreasonably withheld or delayed. Guarantor may incur unsecured indebtedness in the ordinary course of Guarantor's business in the aggregate

principal amount of \$50,000.00 or less upon prior written notice to Lender without having to obtain Lender's prior written consent.

c. Maintain the Premises free and clear of all liens and encumbrances (excepting only (i) the lien of real estate taxes and assessments not due, (ii) any lien and encumbrance of Lender and (iii) any other exceptions as Lender may in its sole and absolute discretion agree, including those listed on any exhibit or schedule to any title insurance policy that Lender has accepted hereunder) and maintained in accordance with all applicable building, zoning and other laws and ordinances;

d. Permit Lender or any of its agents or representatives to have access to the Premises and to have access to and to examine all books and records (and to make extracts therefrom) regarding Borrower and the Premises and to discuss with Borrower's officers, directors and agents Borrower's affairs, finances and accounts, all at reasonable times and as often as Lender may reasonably request following Lender's delivery of written notice to Borrower seeking such access;

e. Not enter into any transaction with any affiliate other than with Lender's prior written consent and upon fair and reasonable terms no less favorable to Borrower than would be obtained in a comparable arm's-length transaction with a Person not an affiliate;

f. Not permit to occur, whether directly, indirectly, by operation of law or otherwise, any transfer, sale, assignment, conveyance, alienation, pledge, hypothecation, encumbrance, or mortgage of all or any portion of any legal or equitable interest in Borrower, unless Lender otherwise consents in writing, which consent may be withheld in Lender's sole discretion;

g. Maintain and preserve the Premises owned by the Borrower and other properties and assets of Borrower necessary in the proper conduct of Borrower's business in good working order and condition, ordinary wear and tear excepted; and

h. Promptly execute and deliver such documents as may be necessary to grant to and maintain in favor of Lender a first priority mortgage lien securing the Loan upon the Premises and to fully consummate the transactions contemplated by this A&R Note.

7. **Defaults.**

The following shall constitute a default (a "**Default**") under this Promissory Note:

a. If Borrower fails to make any of the payments under this Promissory Note or the Mortgage within five (5) days of when due;

b. If Borrower fails to perform any of the nonmonetary obligations under this Promissory Note, the Mortgage, or the Loan Documents and such default is not cured within thirty (30) days after such failure; provided, however, that if such default is not able to be cured within such thirty (30) day period, then no Default shall have occurred under this Promissory Note if Borrower diligently prosecutes such cure and successfully cures the default within an additional thirty (30) days;

c. If a proceeding under any federal or state bankruptcy, reorganization, rehabilitation, receivership, insolvency, moratorium, or other law for the relief of debtors is filed by or against Borrower, or against WSM, or against VH HTC, or against Guarantor, and if such proceeding was filed against Borrower, WSM, VH HTC or the Guarantor and was involuntary, such proceeding is not discharged, stayed or dismissed within thirty (30) days after the date Borrower is notified in writing of such proceeding;

d. If Borrower, WSM, VH HTC or the Guarantor makes an assignment for the benefit of creditors;

e. If Guarantor loses its tax exempt status under Section 501(c)(3) of the U.S. Internal Revenue Code;

f. If any statement or representation made by Borrower or Guarantor to Lender in connection with this Promissory Note, the Mortgage, the Loan Documents or any related transactions is or was false or misleading in any material way;

g. If any material adverse change occurs in the financial condition, operation, or management of Borrower, WSM, VH HTC or the Guarantor, or an event occurs which has a material adverse effect on the Premises;

h. If Borrower fails to keep, perform, or observe any other agreement, covenant or condition on the part of Borrower contained in any other mortgage encumbering the Premises, or in any other loan document or security instrument evidencing or securing the indebtedness of Borrower to Lender under this Loan or any other loan with Lender, which default is not cured within the time period set forth in this Promissory Note or therein;

i. If foreclosure proceedings have been instituted against the Premises under any lien prior to the Mortgage;

j. If the Premises is no longer used for the purposes of a Charter School; or

k. If the Borrower sells all or substantially all of its assets, merges with another entity (and is not the surviving entity of such merger) or is dissolved; or

l. If any Loan Document shall cease to be in full force and effect or Borrower or any Person contests in any manner the validity or enforceability of the applicable Loan Document.

8. Remedies.

Upon the occurrence of a Default, Lender may, in addition to any other rights or remedies provided for hereunder or under any other Loan Document or by applicable law, do any one or more of the following: (i) declare the principal of, and any and all accrued and unpaid interest and fees in respect of, the Loans and all other obligations, whether evidenced by this A&R Note or by any of the other Loan Documents to be immediately due and payable, whereupon the same shall become and be immediately due and payable and Borrower shall be obligated to repay the Loan and all of such obligations in full, without presentment, demand, protest, or further notice or other requirements of any kind, all of which are hereby expressly waived by the Borrower, (ii) declare the commitments of the Lender to make additional advances terminated, whereupon such commitments shall immediately be terminated or (iii) exercise all other rights and remedies available to Lender under the Loan Documents, under applicable law, or in equity; provided, however, that in case of any event described in clauses (c) or (d) of Section 7, the commitments of the Lender to make any additional advances shall automatically terminate and the principal of the Loans then outstanding, together with accrued interest thereon and all fees and other obligations of the Borrower accrued hereunder, shall automatically become due and payable, without presentment, demand, notice, protest, or legal process of any kind. Following the occurrence and during the continuance of a Default, Borrower promises to pay Lender interest on the unpaid Principal Sum (together with all other amounts owed to Lender) at the then applicable interest rate plus 5% per annum (the "**Default Rate**"). Borrower agrees to pay Lender, on demand, all costs and expenses arising from the

enforcement of this Promissory Note, the collection of the amounts due under this Promissory Note and the enforcement or foreclosure of the Mortgage, together with expenses, costs, and charges related thereto, including, without limitation, all attorneys' fees, expenses and court costs, together with the fees of paralegals and other staff employed by such attorneys.

9. Reporting.

Borrower shall furnish to Lender the following items as and when set forth below:

a. Audited annual financial statements for Borrower and Guarantor to be delivered within 180 days after the end of Borrower's and Guarantor's fiscal year (the "**Fiscal Year End**") commencing with the 2015/2016 fiscal year. In the event Borrower or Guarantor fails to provide Lender with the foregoing audited financial statements within such period, then, in addition to all other rights and remedies of Lender hereunder, Lender shall have the right (but shall not have the obligation) to cause such audited financial statements to be prepared, by an accountant or firm acceptable to Lender in Lender's sole discretion. Borrower shall cooperate with such accountant or firm in the preparation of such statements, and, promptly following demand therefor, Borrower shall pay the actual cost incurred by Lender in connection therewith;

b. With respect to the Guarantor, annual academic performance and compliance reports from the school's sponsor and/or Missouri Department of Elementary and Secondary Education within 30 days of issuance;

c. Certified copies of Borrower's property and liability insurance policies and evidence of renewal of insurance coverage which indicates that Borrower's insurance coverage is in compliance with the insurance requirements stipulated in the Loan Documents and which names Lender as mortgagee, sole loss payee, or additional insured, as appropriate, to be delivered within the time periods stipulated in the Loan Documents;

d. Prompt (and in any event, within three (3) days) written notice of any material changes in Borrower and/or Guarantor, particularly with respect to key management, existing or new programs, and the goals and missions of Borrower and/or Guarantor;

e. Prompt (and in any event, within three (3) days) written notice of any action or event of which Borrower has knowledge that may materially or adversely affect Borrower's or Guarantor's ability to make payments under, or perform the obligations set forth in the Loan Documents; and

f. Prompt (and in any event with one (1) day) written notice of the occurrence of any Default or any condition or event that (unless cured before the expiration of the applicable grace period as set forth herein or waived in writing in accordance with the terms hereof) will, with the lapse of time or notice or both, constitute a Default;

g. Within five (5) days after receipt of written request from Lender at any time, Borrower shall provide (i) a listing of the Borrower's and Guarantor's board members, including their names, board committee memberships, occupations, and email addresses, (ii) quarterly unaudited financial statements, and budgets, for Borrower and for Guarantor.

h. From time to time, any other information that Lender or Lender's counsel reasonably requests throughout the term of the Loan at such time as Lender or Lender's counsel reasonably requires.

10. Costs and Expenses; Indemnification.

Borrower agrees to pay all reasonable costs and expenses of the Lender in connection with the preparation and execution of this Promissory Note and the Loan Documents (including, but not limited to, title and recording fees). Borrower also agrees to pay all reasonable costs and expenses of the Lender in connection with the administration of the Loan, including, if required, a construction loan escrow in form satisfactory to Lender, with respect to the disbursement of the Loan.

Borrower agrees to defend and hold Lender, and its officers, directors, trustees, members of the board, employees, contractors and agents and the successors and assigns of the foregoing (collectively, the "**IFF Parties**") harmless and to indemnify each of them from and against all Claims (as hereinafter defined) of whatever nature incurred by any of the IFF Parties arising from, related to or in connection with: (a) any action or inaction of Borrower; (b) the inaccuracy of any representation set forth in the Loan Documents; (c) the breach of any agreement or covenant set forth herein or in the Loan Documents; (d) the Premises; or (e) the Loan. For purposes hereof, "**Claims**" means any and all claims, causes of action, rights of subrogation, suits, losses, damages, costs, expenses, fees (including, without limitation, attorneys' fees, expenses and court costs) and liabilities of every kind whatsoever, whether past or present, contingent or otherwise, matured or unmatured, known, unknown, suspected or unsuspected, punitive, direct, or indirect, actual or consequential, arising at law, in equity or otherwise. Borrower's obligation and agreement to indemnify and hold harmless the IFF Parties shall include indemnity from and against any and all liability, fines, suits, demands, costs and expenses of any kind or nature (including, without limitation, attorneys' fees, expenses and court costs) incurred in or in connection with any such Claims, or proceedings brought thereon, and the defense thereof. Notwithstanding the foregoing provisions of this paragraph, Borrower shall not be required to indemnify any of the IFF Parties to the extent such Claim is a result of the gross negligence or willful misconduct of such IFF Parties (as determined by a court of competent and final jurisdiction).

11. Notices.

All notices, requests, and demands to be made under this Promissory Note or under the Mortgage shall be in writing and shall have deemed to have been given to either Borrower or Lender when personally delivered or emailed, the day after deposit with a nationally recognized courier service (such as Federal Express), or three (3) days after being sent by registered or certified mail, return receipt requested, to the following addresses:

<p><u>If to Lender:</u></p> <p>IFF 333 South Wabash Avenue, Suite 2800 Chicago, Illinois 60604 Attention: Senior Vice-President, Capital Solutions</p>	<p><u>with a copy to:</u> Rosenblum Goldenhersh 7733 Forsyth Blvd., 4th Floor St. Louis, Missouri 63105 Attention: Roger Herman Tel. No. 314-726-6868 Fax No. 314-726-6786 E-Mail: rherman@rgsz.com</p>
<p><u>If to Borrower:</u></p> <p>Historic Virginia Hotel, LLC c/o Crossroads Academy of Kansas City</p>	<p><u>with a copy to:</u> Donald Maxwell, Esq. Donald E. Maxwell, LLC 4700 Belleview Ave., Suite 404</p>

1015 Central Street Kansas City, Missouri 64105 Attention: Executive Director	Kansas City, MO 64112 (816) 421-2021 (Ph) (888) 421-2024 (Fx) E-Mail: dmaxwell@DONMAXWELLLAW.COM
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12. Whenever in this Promissory Note reference is made to Lender or Borrower, that reference shall be deemed to include, as applicable, a reference to the respective successors and permitted assigns of the party. The provisions of this Promissory Note shall be binding upon and shall inure to the benefit of said successors and permitted assigns. Lender may assign, negotiate, pledge or otherwise hypothecate this A&R Note or any of its rights and security hereunder or under any other Loan Document to any bank, participant, financial institution or other Person and, in any such case, Borrower will accord full recognition thereto and agree that all rights and remedies of Lender in connection with the interest so assigned shall be enforceable against Borrower by such bank, participant, financial institution or any other Person with the same force and effect and to the same extent as the same would have been enforceable by Lender but for such assignment. Borrower may not assign its rights hereunder or any interest herein and any such assignment shall be null and void and ineffective without the prior written consent of Lender.

13. Lender's failure at any time or from time to time to require strict performance by Borrower of any provisions of this Promissory Note, the Mortgage or any of the other Loan Documents shall not waive, affect, or diminish any right of Lender to demand strict compliance and performance therewith. Any suspension or waiver by Lender of a Default by Borrower shall not suspend, waive, or affect any other Default by Borrower, whether the same is prior or subsequent thereto and whether of the same or a different kind or character. None of the undertakings, agreements, warranties, covenants, or representations of Borrower under this Promissory Note or the Loan Documents shall be deemed to have been suspended or waived by Lender unless such suspension or waiver is in writing, signed by an officer of Lender and directed to Borrower specifying the suspension or waiver. The rights and remedies provided in this A&R Note and in the other Loan Documents are cumulative and not exclusive of each other or of any right or remedy provided at law or in equity.

14. Demand, presentment, protest, and notice of nonpayment and protest are hereby waived by Borrower.

15. It is specifically acknowledged and agreed that time is of the essence of each and every provision of this Promissory Note, the Mortgage and the other Loan Documents.

16. The Borrower agrees that the Lender shall have all rights of set-off provided by applicable law, and in addition thereto, the Borrower agrees that upon the occurrence of a Default and at any time thereafter, the Lender is hereby authorized at any time and from time to time, to the fullest extent permitted by applicable law, to set off and apply any and all obligations or liabilities (in whatever currency) at any time owing by the Lender to or for the credit or the account of the Borrower against any and all of the obligations of the Borrower now or hereafter existing under this A&R Note or any other Loan Document, irrespective of whether or not the Lender shall have made any demand under this A&R Note and although such obligations may be contingent or unmatured.

17. Whenever possible, each provision of this Promissory Note shall be interpreted in such a manner as to be effective and valid under applicable law, but if any provision of this Promissory Note shall be prohibited by or invalid under applicable law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Promissory Note. In no event shall interest charged under this Promissory Note, the Mortgage or under any of the other Loan Documents (including, without limitation, the Default Rate) however such interest may be characterized or computed, exceed the highest rate permitted under any law which a court of competent jurisdiction shall, in a final determination, deem applicable hereto. In the event that a court

determines that Lender has received interest under this Promissory Note in excess of the highest applicable rate hereto, then, in such case, Lender may either deem such excess to be a prepayment of the Principal Sum (to the extent permitted by law) or at Lender's election, Lender may promptly refund such excess interest to Borrower.

18. No amendment, modification or waiver of, or consent with respect to, any provision of this A&R Note shall be effective unless the same shall be in writing and signed and delivered by Lender, and in the case of an amendment or other modification, Borrower, and then any such amendment, modification, waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

19. This Promissory Note shall be construed in accordance with and governed by the laws of the State of Illinois. Each party hereto hereby irrevocably and unconditionally submits, for itself and its property, to the exclusive jurisdiction of the Circuit Court of the State of Illinois sitting in Cook County and of the United States District Court of the Northern District of Illinois sitting in Cook County, and any appellate court from any thereof, in any action or proceeding arising out of or relating to any Loan Document, or for recognition or enforcement of any judgment, and each of the parties hereto hereby irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in such Illinois State or, to the extent permitted by law, in such Federal court. Each of the parties hereto agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. **BORROWER AND LENDER EACH KNOWINGLY AND VOLUNTARILY WAIVES ANY RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING TO ENFORCE OR DEFEND ANY RIGHTS (a) UNDER THIS A&R NOTE OR ANY OTHER LOAN DOCUMENT OR UNDER ANY AMENDMENT, INSTRUMENT, DOCUMENT OR AGREEMENT DELIVERED OR WHICH MAY IN THE FUTURE BE DELIVERED IN CONNECTION WITH THIS A&R NOTE OR (b) ARISING FROM ANY FINANCING RELATIONSHIP EXISTING IN CONNECTION WITH THIS A&R NOTE, AND AGREES THAT ANY SUCH ACTION OR PROCEEDING WILL BE TRIED BEFORE A COURT AND NOT BEFORE A JURY. BORROWER AGREES THAT IT WILL NOT ASSERT ANY CLAIM AGAINST LENDER OR ANY OTHER PERSON INDEMNIFIED UNDER THIS A&R NOTE ON ANY THEORY OF LIABILITY FOR SPECIAL, INDIRECT, CONSEQUENTIAL, INCIDENTAL OR PUNITIVE DAMAGES.**

20. On or before December [___], 2018, Borrower shall pay and remit to Lender a loan origination fee in the amount of **\$22,000**, which is 1% of the Reduced Principal Balance of the Loan.

21. The following notice is given pursuant to Mo. Rev. Stat. § 432.045 and Mo. Rev. Stat. § 432.047; provided that nothing contained in such notice shall be deemed to limit or modify any term or provision of the Loan Documents. As used herein, "creditor" means Lender, "borrower" means Borrower and "this writing" means this Promissory Note and the other Loan Documents. **"ORAL OR UNEXECUTED AGREEMENTS OR COMMITMENTS TO LOAN MONEY, EXTEND CREDIT OR TO FORBEAR FROM ENFORCING REPAYMENT OF A DEBT INCLUDING PROMISES TO EXTEND OR RENEW SUCH DEBT ARE NOT ENFORCEABLE, REGARDLESS OF THE LEGAL THEORY UPON WHICH IT IS BASED THAT IS IN ANY WAY RELATED TO THE CREDIT AGREEMENT. TO PROTECT YOU (BORROWER) AND US (CREDITOR) FROM MISUNDERSTANDING OR DISAPPOINTMENT, ANY AGREEMENTS WE REACH COVERING SUCH MATTERS ARE CONTAINED IN THIS WRITING, WHICH IS THE COMPLETE AND EXCLUSIVE STATEMENT OF THE AGREEMENT BETWEEN US, EXCEPT AS WE MAY LATER AGREE IN WRITING TO MODIFY IT."**

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THIS AMENDED AND RESTATED PROMISSORY NOTE was executed by the undersigned who represents that she/he has all necessary authority to execute this Promissory Note on behalf of Borrower.

HISTORIC VIRGINIA HOTEL, LLC,

a Missouri limited liability company

BY: WASHINGTON STREET MANAGEMENT, LLC,

a Missouri limited liability company,

Its Manager

By: _____

Dean R. Johnson, Manager

Dated: November __, 2018

LENDER'S AGREEMENT:

This \$3,300,000 Amended and Restated Promissory Note dated November __, 2018, is accepted by Lender as a complete amendment and restatement of the \$3,300,000 Promissory Note dated May 27, 2016, made by the Borrower to the Lender.

IFF, an Illinois not for profit corporation

By: _____

Name: _____

Its: _____

Dated: November __, 2018